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April 7, 1969

International Trade Winds Newsletter

Company News

VEHICLE AIR CONDITIONING—Automatic Radio International, Melrose, Mass., has completed an agreement with Senior Air Conditioning Corp., Taipei, Republic of China, under which Senior will be licensed to manufacture and distribute locally Automatic Radio's Vornado brand auto air conditioners, truck refrigeration, and bus air conditioning systems. Plans call for Senior to manufacture the units at first only for the Taiwan market, but later similar equipment will be exported throughout Asia.

DATA PROCESSING—Diebold Computer Leasing, Inc., New York, has announced plans to join with two major French banks, Societe Generale and Banque Rothschild, to establish a subsidiary of Diebold Computer Leasing in France. The new firm will acquire and lease computers and related equipment in France. The U.S. company will have a majority 80% interest in the new venture, and the two banks will share a 20% interest. the new subsidiary is the second such venture for Diebold Computer Leasing. The first was established last year in the United Kingdom.

AIRCRAFT—KLM Royal Dutch Airlines has announced the purchase of three additional Boeing 747-B airplanes from Boeing Co., Seattle, and two new McDonnell-Douglas DC-9-33 rapid change aircraft from McDonnell-Douglas Corp., St. Louis. Total cost for the five airplanes, including spare parts, is more than $83 million. The new order for Boeing 747s brings to six the number ordered by KLM, all to be delivered in 1971. The two new McDonnell-Douglas craft will be delivered early in 1970, bringing the KLM fleet of "stretched" DC-9s to 16 planes.

PLASTICS—Cadillac Plastic and Chemical Co., Detroit, has announced the formation of an affiliate company, Universa Kunststoff-center, G.m.b.H., with headquarters in Frankfurt, Germany, for distribution of plastic engineering materials. The first warehouse-service center to be opened by Universa starts operation this month, with other similar installations planned for other large cities in Europe. All the European centers will be patterned after Cadillac's 50 distribution points in this country, and each will stock some 40 lines of industrial plastics and ancillary equipment.

First industry participants in the brand new U.S. Trade Center in Paris are the U.S. Laser Industry Association, the Electronic Industries Association and Laser Focus, a trade publication. They are assisting Commerce trade promotion specialists with a laser equipment exhibition that will open the new Center on Avenue de Neuilly next November. U.S. laser equipment makers have shown strong interest in the French market.

Deepest February in Stockholm turned out to be an excellent time and place to sell U.S. swimming pools and pool accessories. Muskin International of Manhasset, N.Y., through its Swedish rep, Dalu-Bolagen AB, put on a between-regular-shows display at the U.S. Trade Center in the Swedish capital and now projects '69 sales at nearly $200,000 as a result. Negotiations are underway also to sign up a number of dealers.

Briefing this past weekend of the Scientific Instrument Makers Association Trade Mission to Eastern Europe marked the opening of a busy spring for Industry-Organized Government-Approved trade missions. Soon to follow will be seven other groups heading for Western Europe, Eastern Europe, the Soviet Union, South America, the Far East, and three specialized missions to Europe. All will get extensive briefings from Department of Commerce officials, State Department officers, representatives of the Export-Import Bank, and specialists in other Washington agencies.

Greeting to Farrell Lines' new export promotion publication, "Trade Trends." It is the successor to Farrell's "African News Digest" and "Southwest Pacific News Digest." In addition to covering these two areas in its Trade Opportunities section, it has a new listing of export/import opportunities originating with U.S. firms. "Trade Trends" is being sent to those who received the earlier publications and to other interested traders. The address is: Trade Development Department, Farrell Lines, One Whitehall St., New York, N.Y. 10004.

Quest for enterprising agents was an activity of 17 of 31 companies exhibiting at the Metal Surface Treatment Equipment show that closed at the Frankfurt U.S. Trade Center on Mar. 21. At show's end four agents had been signed and 85 more were being considered for appointment. Representatives of all major German auto companies and leading metal fabricators came to the show.

NOTICE: This information is offered to preview or provide informally brief and varied comment on Bureau of International Commerce worldwide export and investment promotions. It is not final and does not substitute for detailed know-how and analysis in our regular news columns.

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the cover

Radioisotope generators for use in oceanographic research buoys which must have reliable power sources during long unattended periods at sea were among the many ultramodern items shown by 35 U.S. manufacturers of oceanographic equipment in the U.S. Exhibition at Oceanology '69 at Brighton, England. Isotopes, Inc.'s Nuclear Systems Division, Middle River, Md., showed the buoy power source pictured on the cover. A report on the show is on page 8.

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Congress now has 365 trade bills; import quota proposals still lead

Commerce trade policy staff members note Federal, court, State, GATT actions that affect international business

The following is the third in a series of regular reports outlining actions in Congress or elsewhere in Government, or by foreign or international bodies, affecting world trade, as noted by staff members of the Bureau of International Commerce's Trade & Commercial Policy Division. The earlier reports were published Feb. 10 and Mar. 10.

Legislation: New Bills—The number of tariff and trade proposals pending before the 91st Congress rose to 365, with nearly 75 introduced during March. Continuing the pace set during the session's first two months, bills to establish import quota controls of one kind or another again were most numerous, 36 in all.

Senator Abraham A. Ribicoff of Connecticut introduced legislation (S. 1636) to amend the escape clause and adjustment assistance provisions of Title III of the Trade Expansion Act of 1962 on March 24. The bill would establish less stringent criteria under which an industry, firm, or group of workers could demonstrate injury arising from increased import competition and thereby qualify for the various forms of relief available under the 1962 Act.

Several bills were introduced during the month which would affect import duties applicable to various commodities: crude chicory roots—permanent duty suspension (H.R. 8644); the acid L-Dopa—duty suspension (H.R. 8512); molybdenum disilicide—duty reduction (S. 1585); certain silk yarns—duty suspension (S. 1648); and certain reimported articles—duty-free treatment (H.R. 9183). The most-favored-nation treatment currently accorded Poland would be suspended under the provisions of a bill introduced by Representative Leonard Farbstein of New York (H.R. 7977).

Congressional Hearings: Lumber Prices, Foreign Trade Zone, Petroleum, Foreign Investment Controls—International trade implications appeared in the hearing on softwood lumber and softwood plywood prices conducted by the Senate Subcommittee on Housing and Urban Affairs and the House Subcommittee on Housing. Short supplies were cited as a prime cause of high prices.

At the hearings, Secretary George Romney of the Department of Housing and Urban Development indicated that the Administration is taking steps to alleviate the short supply by increasing the allowable cut from federal lands, by reducing Government purchases, and by expediting the adoption of new softwood lumber standards designed to encourage more efficient use of timber supplies. He proposed, among other steps toward a long-run solution, increasing softwood plywood imports from Canada, a measure which would require some downward adjustments in U.S. tariffs.

Spokesmen for the lumber industry advocated increased controls on U.S. exports of softwood logs. Large purchases of logs have been made by Japanese buyers in the last few years.

The Senate Small Business Subcommittee resumed on March 14 hearings regarding the handling by the Department of Commerce of the application submitted by the State of Maine to establish a foreign trade zone oil refinery at Machinsport. Witnesses appearing before the Committee were C. R. Smith, former Secretary of Commerce, and Lawrence C. McQuade, former Assistant Secretary for Domestic and International Business.

Hearings by the Senate Anti-trust and Monopoly Subcommittee on the petroleum import quota system continued during the month with testimony from faculty members of various universities.

The House Subcommittee on Foreign Economic Policy held hearings on two resolutions which would advise the Administration to rescind mandatory controls over American investment abroad.

Legislator's Request: Study of Tariff Item 807—Representative William J. Green of Pennsylvania announced on March 16 that he has requested the Tariff Commission and the Departments of Commerce, Labor and State to undertake a collaborative study of the effects of the Tariff Schedules of the United States item 807 on U.S. trade and employment. This tariff provision applies to the importation of articles assembled abroad in whole or in part of fabricated American components.

For the purpose of assessing duty, item 807 permits the cost or value of the American components to be deducted from the full value of the imported article. Congressman Green stated that tariff item 807 has encouraged American companies to shift part of their operations to low wage countries. The Congressman further stated that he was asking for information and was making no recommendations for legislation at this time.

Escape Clause Tariff Rates: Carpets and Glass—April 1 marked the beginning of a three-month period during which the carpet and glass industries may file petitions under the Trade Expansion Act for further extension of the escape clause actions taken in 1962 on certain woven wool carpets and sheet glass. These are the only product groups now covered by escape clause tariff protection. Unless extended by the President, these tariff rates will expire at the end of 1969 and the lower trade agreement rates will be restored on Jan. 1, 1970.

In January 1967, President Johnson terminated escape clause rates on thin and heavy sheet glass and reduced, but did not terminate, the escape clause rates on medium weight glass (window glass). The 1962 escape clause rate on carpets was not changed.

Court Case: FTC Labeling Rules for Wool Products Imports—The U.S. Court of Appeals for the District of Columbia has directed a lower court to grant a permanent injunction against enforcement of Rule 36, a regulation promulgated by the Federal Trade Commission regarding certain wool and wool blend textiles and apparel imports. The regulations, adopted in February 1968 to insure conformity of imports with the standards established by the Wool Products Labeling Act, provided that Customs officials may at the request of the FTC detain import shipments for laboratory testing when there is good reason to suspect mislabeling as to fiber content.

The regulations were in effect for only a few days prior to their suspension pending court review. Some $400 million of annual textile imports from Italy, Japan and other countries might have been affected by the implementation of the rule.

The court ruled that the regulations were not authorized by the Wool Products Labeling Act and that the proposed procedures were foreign to the FTC's customary methods of enforcing the labeling requirements of the Act. The court further stated that the proper course of action by the FTC is issuance of a cease and desist order after verification of a complaint. The FTC maintained that this procedure was inadequate since it could be followed only after the goods had been entered through customs and placed on sale.

International Coffee Agreement: Arbitration Panel Finding—The Arbitration Panel of the Coffee Agreement issued three disparate opinions at the close of hearings regarding the U.S. contention that soluble coffee is being unfairly subsidized by the Brazilian Government. The United States requested that discrimination in favor of exports of soluble coffee cease and that such exports be subject to an export fee comparable to that levied by Brazil on coffee bean exports. The Brazilian member of the Arbitration Panel held that Brazil was not engaging in discriminatory treatment under Article 44 of the Coffee Agreement, as charged by the United States. The U.S. member found that discrimination had amounted, in tariff terms, to as much as 46¢ per pound on soluble coffee. The Swedish member concluded that the United States is entitled to take action under Article 44 to correct discrimination, but that the situation could best be dealt with by the Government of Brazil.

Unless Brazil takes remedial action within 30 days, the United States may levy a countervailing duty on soluble coffee. Any subsequent charge by Brazil that the United States action violated the Coffee Agreement would be subject to review by a new panel and to vote by the Council.

International Coffee Organization Meetings—Meetings of the Executive Board and Council of the International Coffee Organization took place in London March 17-28. The major agenda item was the establishment of country by country production quantities for coffee in order to eliminate excessive output and bring production into line with consumption by 1972-73.

Coffee Trade Regulations: Revisions Effective April 1—The enforcement of export quotas under the International Coffee Agreement entered a new phase on April 1, when the "Revised and Consolidated Instructions on the Control System" was brought into full effect.

The new regulations, as applicable to the import and export of coffee from the United States, will be incorporated in a Bureau of Customs Circular. Copies of the complete text, which is contained in ICO document EB-749/69 dated Jan. 30, 1969, may be purchased from the International Coffee Organization, 22 Berners St., London, WIP 4DD, England, for five shillings.

Agriculture Department: Revision of Import Regulations for Oranges and Onions—The Agriculture Department announced that as of March 10 Valencia and similar type oranges of minimum diameter of 2-6/16 inches may be imported. Previous minimum diameter was 2-9/16 inches. No change has been made in the minimum grade of number 2 for orange imports. The change of diameter results from revision of size requirements for domestic shipments of Texas oranges which are under Federal Marketing order. Federal law requires that regulations governing imports must be comparable to requirements for domestic crops which are subject to more than one marketing order.

As of March 24, imports of all varieties of onions, except red onions, will be limited to not more than 20% defects of U.S. No. 1 grade. Tolerance for serious damage will be 10%, including not more than 2% decay except for onions in transit ten or more days from country of origin for which decay tolerance of 5% will remain unchanged. Minimum size for white onions is 1 inch, for other varieties 1-3/4 inches. The changes, similar to those made for the early spring season last year, are necessary to bring import regulations into conformity with provisions of a Federal marketing order convering South Texas onions.

Agriculture Department: Sugar Quota—This year's U.S. sugar marketing quota has been increased by 100,000 tons to a total of 10.7 million tons. Quotas for the domestic sugar beet area will increase by 47,667 tons, while those for the mainland sugar cane area will rise by 17,333 tons. Quotas to foreign countries were boosted by 35,000 tons.

Food and Agriculture Organization: Tea—The Working Party on Tea of the Food and Agriculture Organization will meet on May 5 at the FAO headquarters in Rome. Objectives of the working party include stabilization of tea prices, promotion of tea consumption, and, more urgently, consideration of actions which may be taken to prevent maintenance of unduly high stock levels in the major importing countries.

The meeting follows the third ad hoc consultation on tea held in January in Kampala, Uganda, which recommended establishment of both a permanent study group and a working party on international arrangements. Invitations to attend are to be sent to 8 exporters, Ceylon, Congo (D.R.), India, Indonesia, Kenya, Malawi, Mauritius and Uganda, and to 8 importers, Australia, Canada, Japan, Poland, United Arab Republic, United Kingdom, United States and the European Community.

Federal Trade Commission: Labeling Requirements—In accordance with the Fair Packaging and Labeling Act, Federal Trade Commission regulations concerning the information to be printed on labels of packaged consumer goods will enter into force on July 1. Labels must specify the name and address of the manufacturer, packer or distributor and must show the relationship of such person to the commodity where the name on the label is not the manufacturer. A wide variety of products has been designated as "consumer commodities" by the FTC. The regulations apply to imported as well as domestic consumer commodities.

Texas: Buy American Bill—H.B. 584, introduced on Feb. 26, would require that purchases by the State of Texas or any of its political subdivisions be products of the United States unless the price of such products exceeds by over 15% the price of the foreign product.

The bill would also require that state purchasing agencies give preference to supplies, materials or equipment produced or offered by Texas residents, provided that the quality and cost to the state are equal to other materials.

The bill was reported favorably by the House Committee on Governmental Affairs and Efficiency during the last week in March.

Bureau of Customs: Haddock Fillets—The Bureau of Customs announced on March 11 its final determination that frozen haddock fillets from Eastern Canadian provinces are not being nor likely to be sold at less than fair value within the meaning of the Antidumping Act.

During the period Jan. 1, 1967 through May 31, 1968 about $6.7 million of frozen haddock fillets were imported from Eastern Canadian provinces.

Tariff Commission: Trade Summary—The Tariff Commission has released the sixth of twelve volumes to be published on products covered by Schedules 4 of the Tariff Schedules of the United States. The most recent volume includes import, export, consumption, production and tariff data for glue, gelatin, aromatic substances, toilet preparations, surface-active agents, soaps, dyes, and tannins. Summaries are available for public use at the Department of Commerce Field Offices and at certain public and university libraries in larger cities.

Bureau of Customs: Polypropylene Film—The U.S. Bureau of Customs announced on March 7 that it has initiated an inquiry into a complaint by W. R. Grace Co., Cryovac Division, Duncan, S.C., that polypropylene film manufactured by Kokoku Rayon and Pulp Co., Tokyo, Japan, is being or is likely to be sold in the United States at less than fair value within the meaning of the Antidumping Act.

Bureau of Customs: Electronic Receiving Tubes—The Bureau of Customs announced on Feb. 28 its tentative determination that electronic receiving tubes (except television picture tubes) from Japan are not being nor likely to be sold at less

than fair value within the meaning of the Antidumping Act, 1921, as amended.

The determination was based on the finding that adjusted home market price in Japan was not higher than the purchase price except in a few instances and that amounts involved in these sales were minimal. Exporters were advised of these sales and gave assurances that no such sales would be made in the future regardless of the disposition of the investigation.

Court Decisions: Spectrometers—The Court of Customs and Patent Appeals upheld the decision of the Secretary of Commerce allowing duty-free entry of a certain spectrometer. The spectrometer was entered under tariff item 851.60, which was establishd to implement part of the so-called Florence Agreement, providing for duty-free importation of instruments and apparatus for use by an educational or scientific non-profit institution. Such imports are not permitted without payment of duty, however, if equipment of equivalent value for the purposes for which it is intended to be used is being manufactured in the United States. In this case, domestic manufacturer contested the allowance of duty-free entry for a nuclear resonance spectrometer. The Court upheld the finding of the Secretary of Commerce that the import was capable of better temperature control than domestically produced machines and that this feature was essential in the ultimate use of the machine. (Varian Associates, Com. No. 2-2/6/69).

GATT Meeting: Non-Tariff Barriers—The Committee on Trade in Industrial Products met March 19-28 to continue its examination of non-tariff barriers begun in February. The Committee is considering NTB complaints brought before it by its 32 members with a view to determining what methods are feasible to deal with the problems identified. The Committee to date has reviewed complaints about subsidies, government procurement practices, state trading, countervailing duties, antidumping measures, customs valuation problems, customs and entry procedures, and health, safety and technical standards. Before summer the Committee intends to complete its initial examination of the remaining restrictions which include: quantitative restrictions and exchange controls; prior deposits, surcharges and taxes, and miscellaneous problems such as restrictive business practices and advertising and transportation restraints.

The Committee's next meeting is scheduled for the week of April 28.

A final meeting on the initial examination will be held in late June to complete the review and to discuss the Committee's future work program.

Perspectives on U.S.-Japan trade reviewed by Commerce official

Japan's favorable trade balance with U.S. emphasized; need for additional and speedy liberalizations cited

Japan is being asked to speed up its timetable for exposing its industry to foreign competition, a Commerce Department official said recently in Detroit.

Focusing on perspectives in U.S.-Japan trade and economic relations, Eugene Kaplan, Director of the Far Eastern Division of the Department's Bureau of International Commerce, pointed to the increasing economic interdependence of Japan and the United States.

Such economic interdependence, Kaplan told a Michigan Chamber of Commerce mission departing for Tokyo, goes even beyond the fact that the United States is Japan's leading customer, and Japan is our largest trading partner except for Canada. Today, Japanese funds and know-how match American contributions in such major and vital undertakings for the Asian and Pacific region as the Asian Development Bank, and the international consortium providing economic assistance to a resurgent Indonesia.

Japanese businessmen are teamed with Americans and those from other industrial countries in the newly formed Private Investment Company for Asia which seeks to help spur the growth of the private sector in that part of the world even as the organization called ADELA, after which it is patterned, is now doing in Latin America. This kind of cooperation bodes well for the economic development and stability of the vital and volatile Asian and Pacific area, Kaplan said.

Big two-way trade total

A measure of U.S.-Japanese economic interdependence is the 1968 two-way trade figure of approximately $7 billion which, except for our trade with Canada, represents the highest figure ever reached in trade between two nations, Kaplan pointed out, adding: "The Japanese are, naturally, concerned about their continued access to the American market, especially after a year when roughly half of their overall trade surplus of $2½ billion (on an FOB basis) resulted from trade with the United States alone. The American market in absorbing $4 billion of Japan's exports accounted for nearly one third of all goods shipped overseas by that country."

These record sales of Japanese goods were a major factor in our own sharply reduced overall trade surplus, Kaplan said. That surplus, was only a third as large as Japan's favorable global balance of trade in 1968. Despite steadily increasing U.S. exports to Japan, the United States trade surplus with that country over the past five years or so first dwindled, and then, starting in 1965, turned into a growing deficit that reached $1.1 billion last year.

Correspondingly, he added, Japan has become an increasingly important market for American products. "That country in 1968 produced the third largest gross national product in the world, exceeded by only that of the United States and Soviet Union. For the third consecutive year Japan's GNP increased more than 10% in real terms. Along with an estimated $135 billion GNP in 1968 was a marked improvement in per capita income which in the Tokyo area is in excess of $1,500 and for the country as a whole exceeds $1,000 for the first time. Some Japanese economists are confident that per capita income in their country will in the next five years or so catch up and overtake that in a number of the more affluent Western European countries," he reported.

"Behind this growing affluent society is a burgeoning industrial establishment with a seemingly insatiable appetite for raw materials and highly advanced technology and capital equipment. So it is not surprising that Japan figures so large in our projections for the urgently required expansion of U.S. exports over the next five years. The Cabinet Committee on Export Expansion, headed by the Secretary of Commerce, has set a $50 billion export goal for 1973.

"Will the United States be able to share proportionately, as other nations do here, in the increased prosperity which the Japanese by hard work, great skill and ingenuity, and immense commercial drive will continue to bring to their country?" Kaplan asked. If the United States cannot do so, he noted, it will be due as much to the fundamental structure of the Japanese economy as from the goals which

many leaders of that economy, both in government and business, apparently have set for it.

He said these leaders are determined to limit foreign competition in certain large and growth sectors of Japan's economy until it is clear that local producers can effectively compete with not only foreign imports but with foreign-owned subsidiaries manufacturing in Japan.

Key-industry development

Particular importance is also attached to the development of certain key industries like atomic energy, aircraft, computers, and other electronic products so that there may be a base there for research and development by Japanese scientists and engineers.

The aim, he said, is to lessen Japan's dependence on imports of advanced technology as well as even to reverse the flow of this technology.

These policies Kaplan saw as most strikingly apparent in the choice of industries the Japanese have selected for the two measures of liberalization of foreign direct investment thus far announced, industries which, like shipbuilding, have arrived and can keep pace with any competition.

These policies are, Kaplan said, a key factor in the current and continuing dialogue between the U.S. and Japanese Governments over the liberalization of both Japan's residual controls on imports and their controls on foreign direct investment.

"What Japan is being asked to do is to change, to speed up, its timetable for exposing its industry to foreign competition in the Japanese market," he commented. "There is much understandable pressure from within and outside the Japanese Government to resist such change."

Kaplan said he expected the Michigan mission to meet Japanese businessmen who will ask that U.S. business show "more understanding" of the time required for certain sectors of Japanese industry to "mature" before full liberalization can be granted, and, on the other hand, a "growing number of journalists and economic observers, and members of the smaller circle of industrialists and government officials who recognize that Japan must in its own interest move more quickly and more positively to free up its controls."

Kaplan then noted that since nearly $3 billion worth of American products were shipped to Japan last year, the country "is not exactly a closed market for U.S. goods."

Where controls on imports remain, in about 120 categories, he said, they usually limit rather than embargo U.S. exports of such items. But they pose a block to U.S. export expansion, he declared. Moreover, he explained, added to the array of other non-tariff barriers inherent in the requirement that a license be obtained even for liberalized imports, the prior import deposit system, and differential commodity taxes, they make the business of doing business with and in Japan all the harder.

They provide, Kaplan declared, one of the means whereby the Japanese Government influences important aspects of its external trade, and help perpetuate the special relationships between customers and local suppliers which exist in some areas of the Japanese economy.

The degree to which Japanese controls on foreign direct investment have been effective, he continued, is even more striking. Over the past five years, only some half-dozen foreign investments in the manufacturing field have been validated by the Japanese Government where the foreign equity was more than 50%. There is more American investment, in manufacturing industry alone, he said, in such countries as Argentina, Brazil, Belgium-Luxembourg, and the Netherlands than in Japan, one of the world's leading industrial nations.

"Yet the fact is that Japan has depended heavily on imports of advanced technology in order to reach its position today as one of the world's leading industrial nations. It has been able to procure such technology largely on its own terms and largely through technical licensing and royalty arrangements rather than by more direct foreign participation in Japanese industry.

"American business may have grumbled, and even on occasion balked at these terms, but they have for the most part, and for understandable reasons, settled for less and accepted them," he commented.

Kaplan told the Michigan businessmen that it would be useful for them to discuss these problems with their Japanese counterparts. He said such talks could contribute to "a growing awareness—call it perspective—on the part of the Japanese businessmen of the need to eliminate these irritants to the American business community which detract from our otherwise healthy commercial relationship with Japan."

SERVING MIDWEST MANUFACTURERS, Japan Air Lines maintains a cargo office at Chicago's O'Hare Field. Above, at earlier dedication ceremony, a "kusudama" (ball filled with novelties), was opened.

Another U.S. group urges corporate approach to foreign aid program

National Planning Assn. study recommends major policy changes, multilateral thrust involving other countries, World Bank

Another business-oriented group has recommended that major elements in the U.S. foreign aid program be handled by an investment corporation.

The National Planning Association announced such a recommendation in a review of Agency for International Development activities issued in Washington late last month. In February AID's International Private Investment Advisory Council, a blue-ribbon business panel, called for a similar approach. (See INTERNATIONAL COMMERCE, Feb. 24, page 21.)

The NPA joint statement recommends "far-reaching structural and conceptual changes in the U.S. foreign aid program."

It suggests leaving most of the development decisions to the developing countries and criticizes the current "active and directive U.S. approach to development assistance." The NPA recommends changes to "transfer resources and skills to the recipient countries in ways that more effectively evoke and sustain their own initiative and self-responsibility."

The National Planning Association is a nonprofit, nonpolitical organization devoted to planning by Americans in agriculture, business, labor and the professions.

The NPA statement was issued by 54 representatives of business, agriculture, labor and the professions, members of its Joint Subcommittee on U.S. Foreign Aid, board of trustees, and standing committees.

Specific recommendations of the statement are:

- Establishment of an autonomous Technical Assistance and Development Research Institute to eliminate direct U.S. Government participation in technical assistance. The Institute would function primarily as a clearinghouse and financing agency, referring requests for technical services to appropriate institutions and individuals in the United States. It would encourage formation of private organizations to provide technical assistance and to conduct or make grants for research. The Institute would be endowed by the Government with U.S. Government securities yielding an income of about $300 million a year, and by private contributors, especially foundations.
- Creation of a Private Enterprise Development Corporation to foster greater U.S. private investment in the development of the private sectors in Asian, African, and Latin American nations. The Corporation would be wholly owned by private investors, with a minority of its directors appointed by the President. It would engage mainly in equity and loan investments in developing countries, and carry on existing guaranty, Cooley loans, and investment survey programs. It would receive a substantial initial loan on liberal terms from the Government, as well as Government guarantee of its public bond issues.
- Transfer of up to one third of U.S. development assistance funds to the World Bank group—primarily the International Development Assn. (IDA)—and other appropriate international institutions. The NPA statement also urges that the United States give more of its aid in concert with other donor nations.

The changes, in general, are intended to transform the Agency for International Development from a large institution engaged extensively in overseas operations into a much smaller organization primarily concerned with policy making and the allocation of funds, part of which would be administered by other agencies. Overseas AID missions would be limited to a small number of economists and social scientists. The NPA statement recommends reviving the post of Under Secretary of State for Economic Affairs, to provide supervision of all aspects of U.S. foreign economic policy. It also advocates reviving the Development Loan Fund as part of AID, with an authorization to call on the U.S. Treasury to issue a substantial amount of securities—possibly $7 billion—over a five-year period.

A final recommendation on U.S. food aid noted that "the availability of U.S. food aid has frequently enabled recipient governments to temporize about undertaking new agricultural incentive policies." The NPA statement advocates periodic reexamination of the food aid program to make certain that it is not inhibiting farmer initiative or postponing adoption by the recipient governments of agricultural development policies.

The statement recommended no change regarding supporting assistance, that aid which is given to enable countries to deal with nonmilitary aspects of emergency problems. It declared that aid should continue through grants and be subject to annual appropriations.

Big February U.S. trade deficit

The U.S. merchandise trade balance in February was in deficit by $361.7 million, seasonally adjusted, the largest monthly deficit on record. This followed a trade surplus of $115.6 million in January.

Merchandise exports—excluding military grant-aid shipments—totaled $2,312.7 million, seasonally adjusted, an increase of almost 12% from January. General imports, at $2,674.4 million seasonally adjusted, were 36% above the strike-depressed January figure.

February trade developments were strongly influenced by the strike and post-strike effects at East and Gulf ports, explained William H. Chartener, Assistant Secretary of Commerce for Economic Affairs. He said the settlement of the strike at New York and Baltimore brought in sizable imports, backed up there, and delayed vessel exports. Continuation of the strike at Texas Gulf ports stopped the customarily heavy flow of exports there.

"As with the January trade figures, no general significance can be read into the February deficit. Post-strike adjustment effects will continue to influence monthly trade. Indeed, judging by experience after previous dock strikes, there may well be a 60-90 day lag before more nearly normal trade flows are restored," Chartener declared.

Quarterly figures on U.S. exports and import are prepared for INTERNATIONAL COMMERCE readers by the Bureau of International Commerce's International Trade Analysis Division. The last such report was published in the Feb. 24 issue; the next, including January-March totals, will appear late in May.

Pittsburghers will 'shop for exports' at Commerce Fair

Trade opportunities, industry specialists available to firms

Trade leads developed around the world by U.S. Commercial Officers will step out of the pages of this magazine into the hands of Western Pennsylvania industrialists at an unusual Export Opportunity Fair next week.

Planned for small and medium sized businesses new to exporting, the fair, sponsored by the Commerce Department's Pittsburgh Field Office Apr. 14 at The Federal Building, will be a one-stop export sales bazaar backed up by information supplied by specialists.

Several hundred current trade proposals of interest to Western Pennsylvania—prepared for use in the World Trade Opportunities section of INTERNATIONAL COMMERCE—have been selected by the Commerce Department. These will be grouped into seven broad categories: food and clothing; wood products; chemicals; metal products; industrial machinery; electrical products, and transport equipment.

They will be placed at tables manned by seven Pittsburgh industry specialists who can offer advice and assistance, These are specific opportunities, providing the name of the prospective buyer and the product he is interested in buying.

Representatives of the international departments of three Pittsburgh banks will be available to counsel firms on credit.

Three air freight carriers, Pan American World Airways, Northwest Orient Airlines, and Trans World Airlines, will have trade lead and freight data.

The World Trade Council of the Pittsburgh Chamber of Commerce and the Small Business Administration will each offer trade lead and freight data.

A Commerce Department Office of International Investment representative will be available to explain licensing details.

The program, the first of its kind for Pittsburgh, will begin at 10:30 a.m. General information will be furnished in talks by representatives from the Commerce Department's Commercial Intelligence Division on evaluating export customers; by a Regional Export Expansion Council member on the use of cooperating organizations; and by a Commerce Field Office specialist on using trade leads.

CLEVELAND EXPORT TRADE WORKSHOP participants consider worldwide opportunities for Northern Ohio industries. Above (left to right): John A. Stevenson, chief of international trade division, Commerce Field Office; Charles E. Stebbins, director, Field Office; Robert D. Deitz, Consolidated Paint & Varnish Corp.; John T. Trevethan, Fluid Controls, Inc.; Oswald Schindler, Cleveland Overseas Corporation.

North Ohio traders learning how to sell overseas in the '70s

Case Western Reserve, Commerce Field Office, REEC sponsor workshop

The expanding international trade opportunities available in Northern Ohio industries—and the know-how needed to convert them into profitable export dollars—are subjects under discussion at an eight-week workshop at Case Western Reserve University in Cleveland.

Workshop participants will be honor guests at the Cleveland World Trade Day luncheon May 22, when certificates of completion will be awarded.

Some of the area's best known foreign trade executives are on the faculty for the fourth annual workshop, on How To Sell Overseas in the 70's.

They are: Harry B. Osborn, Jr., vice president of TOCCO Division of Park-Ohio Industries, Inc., and chairman of the Cleveland Regional Export Expansion Council (REEC); Oswald Schindler, president of Cleveland Overseas Corp.; John A. Stevenson, chief of the international trade division of the U.S. Department of Commerce Field Office in Cleveland; Robert D. Deitz, president of Consolidated Paint and Varnish Corp. and chairman of the Cleveland REEC education committee; John T. Trevethan, director of international marketing for Fluid Controls, Inc.

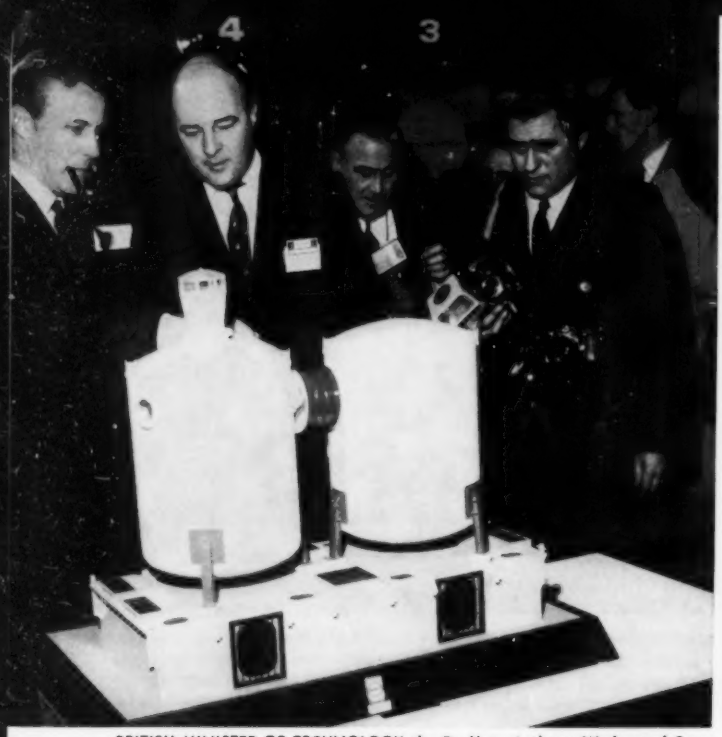
Also Marjorie B. Krupansky, vice president and export manager, Blaser & Mericle, Inc.; Thomas J. Stahre, vice president of Neale Phypers Co.; Charles P. Kelsey, Midwest branch manager of the Foreign Credit Insurance Assn.; Jack M. Harlow, vice president, Union Commerce Bank; Laurence C. A. Schwartz, president of World-Trade Services; Henry T. King, Jr., general counsel for the automotive group, TRW, Inc.; and Sven A. Langmack, vice president-treasurer, Empire Plow Co.

Several sponsors

Laurence. J. Bendler, international trade specialist at the Commerce Field Office, is coordinator for the program, which is presented by the Cleveland REEC and the Commerce Field Office in cooperation with the Center for Organization and Professional Development, School of Management at Case Western Reserve.

Subjects to be covered include: export sales strategy, licensing, pricing, marketing methods, distribution, documentation, insurance and banking, and problems peculiar to smaller companies, as well as services available through government agencies.

The workshop provides opportunities for discussion of specific problems and situations confronting participants and their companies.



BRITISH MINISTER OF TECHNOLOGY the Rt. Hon. Anthony Wedgwood Benn (at left in above left photo) looks over model of General Electric Tektite underwater laboratory. At Nereus Corp. booth (above right, left to right) are Robert Abel, of the National Science Foundation; president Richard F. Hill of Nereus, a Rhode Island based firm; U.S. Senator Claiborne Pell of Rhode Island; Commercial Exhibitions Program director Edward J. Krause.

OCEAN BOTTOM CHARTING EQUIPMENT (above) by Ocean Research, Inc., and aluminum forgings and hardware (below) by Alcoa drew an estimated 5,000 visitors from 42 countries to the U.S. exhibit.

'Solid commercial success' is verdict of 35 U.S. exhibitors at Oceanology '69 in England

Floor sales of over $1.1 million, predictions of $17.1 million more made; attendance of 5,000 included some 700 from 41 countries outside Britain

"In a word, excellent," was the reaction of Boston Insulated Wire's managing director Alan Davis to the U.S. Exhibition at Oceanology International '69 in Brighton, England.

The 35 American manufacturers in the show rolled up immediate sales of over $1.1 million, and predicted that they would make an additional $17.1 million in sales over the coming year as a result of market exposure through the Commerce Department-sponsored show.

General Dynamics was the big success of the show, filing sales projections totaling $5 million for the heavy oceanographic equipment it expects to sell or lease.

"It would have taken us at least six months to investigate and find what we have achieved here in five days," reported general manager J. Soresby of General Dynamics International, British subsidiary of General Dynamics.

The company's main product displays at Brighton were models of research submarines, ocean buoys, and oceanographic research design concepts.

General Dynamics reported making new business contacts in Germany, Sweden, Belgium, South Africa, Australia, and Japan through the U.S. Exhibition, and signed an agent in the United Kingdom for leasing arrangements for the Star 2 and Star 3 research submarines. Vickers Shipbuilding, Ltd., was named as licensee to manufacture General Dynamics ocean research buoys in the United Kingdom.

"During the exhibition technical meetings took place with leading United Kingdom lighthouse authorities," Soresby went on, "and these discussions should result in $500,000 in contracts during 1969."

General Dynamics also entered into negotiations with several major oil companies for the lease of the Star 3 submarine through the newly appointed British agent for use in oil drilling operations in offshore United Kingdom waters.

Of the 35 exhibitors at the Feb. 17-21 event, 34 reported that all their primary

marketing goals had been met or surpassed, and the other said that its aims had been partially met.

An estimated 5,000 trade visitors, including over 700 from 41 countries outside Britain, came to Brighton to see the latest U.S. products in the ocean science field. Over one-third of the companies taking part in the show were either new to the market or new to exporting entirely.

Nereus Corp., a small firm entering the British market for the first time, made $116,000 in off-the-floor sales, and forecast that it would make $350,000 more in sales during the twelve months following the exhibition. Nereus also reported that it was interviewing ten potential agents as the show closed.

Eleven of the exhibitors had come to Brighton seeking new representatives in the United Kingdom, and at the close of the show, seven agreements had been signed, with an additional 43 applications for agency rights still remaining in the talking stage.

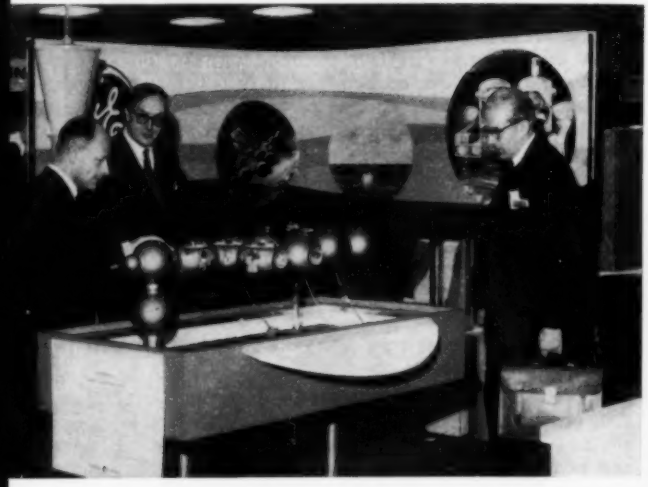
"A solid commercial success," was the unanimous view of the exhibitors, who found their exposure to U.K. and other foreign buyers far beyond their expectations.

Encouraging sales reports came from Marquardt, which booked orders of $280,000 and predicted first-year results of $1.2 million, and Rebikoff, with $100,000 in firm orders in hand, and expectations of $500,000 more by the end of the year.

Magnavox, another sales leader, filed reports showing $70,000 in floor sales, and forecasts for another $1 million during the first year after the Brighton exhibition.

SUBMERGED OIL STORAGE TANK model shown by Chicago Bridge & Iron (above) drew high praise from visitors. Instruments and engineering services were shown at the Arthur D. Little booth (below).

MANNED OCEAN BOTTOM STATION model was a highlight of the General Electric display (below left). GE showed models of several oceanographic research projects now being studied. Sales discussion at Franklin Electric Co. booth (below right) was typical of many at the U.S. Exhibition at Brighton.



United States overseas

Where and when should a U.S. firm venture into exporting for the first time or attempt to expand its sales in overseas markets? An apt answer may lie in the columns below that list details of U.S. overseas export promotions.

Sales opportunities are provided for present or potential U.S. exporters in U.S. Exhibitions at commercial trade fairs around the world, and shows at the six U.S. Trade Centers. These are planned after basic market research has shown a strong demand for a particular category of products. Other opportunities of interest are trade missions, America Weeks promotions, the Sample Display Service, and Mobile Trade Fairs. The last three are more fully described in a special notice accompanying this list.

Trade Center shows in London, Bangkok, Frankfurt, Tokyo, Milan and Stockholm are limited to one product line.

For further information on the Trade Center shows described in this listing, or for more facts on U.S. exhibitions at overseas trade fairs, **write:** Commercial Exhibits Program, BIC-932, U.S. Dept. of Commerce, Washington, D.C. 20230.

Trade missions are groups of U.S. businessmen organized to travel abroad to promote the export of U.S. goods and services manufactured by their particular industry. Some are organized and financed by the U.S. Government, while others are originated and paid for by various U.S. industries, with Government approval and assistance.

U.S. manufacturers, wishing further details on submitting business proposals for participation in future trade missions should **write:** Trade Missions Division, BIC-926, U.S. Department of Commerce, Washington, D.C. 20230.

The following calendar of upcoming U.S. trade promotion activities is based on the latest data available. It appears regularly in the first issue of INTERNATIONAL COMMERCE each month.

CONSUMER PRODUCTS, Japan, Hong Kong, Australia. Three leading department stores in Japan—Isetan (Tokyo), Meitetsu (Nagoya) and Hankyu (Osaka)—will stage America Weeks promotions during April and May. Three of the largest Hong Kong department stores—Wing On, Shui Hing and Lane Crawford—will stage simultaneous America Weeks promotions beginning Apr. 11. One of the largest stores in Australia, David Jones, will include a large U.S. section in a special international promotion scheduled for this May. Commerce is supplying customer attractions for all promotions. Most classifications of department store merchandise will be included. Write America Weeks, or telephone Area Code 202, 967-2051, for more details. All seven **promotions scheduled for April and May.**

PACKAGING, FOOD PROCESSING, METAL WORKING, PLASTICS, PETROCHEMICAL, MEASURING AND TESTING EQUIPMENT. Korea. Korea—the surprise package of the Far East—is rapidly developing as a new and attractive market for American products. This exhibition will provide American suppliers with an excellent opportunity for making immediate sales and a vehicle for developing a long range marketing strategy for Korea. Korean manufacturers want U.S. made machinery and equipment which are generally admired for quality, efficiency and sophistication. American suppliers entering the Korean market now will benefit from participation in Korea's rapid economic growth. Korea has experienced one of the highest economic growth rates in Asia, averaging over 9% a year in real terms during the past five years, with an estimated 12% increase in 1968. The manufacturing sector has shown even more dynamic expansion, averaging better than 16% annually since 1962. Call Area Code 202, 967-4705 to reserve space in this important exhibition. **U.S. Industrial Machinery Exhibition, Seoul. May 8-17.**

INDUSTRIAL FASTENERS AND ADHESIVES. United Kingdom. The United Kingdom is one of the world's most highly industrialized nations and the third largest market for exports from the United States. The U.K. market for U.S. exports has strengthened since devaluation in the face of recent attempts by the U.K. to reduce overall imports. This trend is expected to continue, since the U.S. is a major source for the advanced and sophisticated products the U.K. needs to improve its productivity growth. The exhibition will feature advanced industrial fasteners and adhesives, fastening systems, adhesive systems, combination fastening-adhesive systems, application tools and equipment, and production machinery. For complete details on how you may participate, telephone Area Code 202, 967-5768. **London Trade Center. May 14-21.**

HIGH FREQUENCY MEASURING AND TEST INSTRUMENTATION. Germany. The German electrical industry is the second largest producer in the world after the United States. To achieve and maintain this position, Germany requires the latest in electronics research and development instrumentation and it is not surprising that Germany is the largest export market for U.S. electrical and electronic equipment in the world. One of the prime markets is that for highly sophisticated, sensitive, and accurate measuring equipment representing the latest in the state-of-the-art and generally used in research development and experimental laboratories. This specialized market was estimated at $45 million in 1967 with U.S. companies already established in importing experiencing growth rates of 25%. For additional information on this growing market, and how you may exhibit, call Area Code 202, 967-3088. **Frankfurt Trade Center. May 19-23.**

ALUMINUM PRODUCTS AND FABRICATING EQUIPMENT. Thailand. Included in this exhibition will be aluminum products with end uses in the following markets: building and construction; transportation; consumer durable goods; electrical industry; machinery and equipment; and containers and packaging. Fabricating, processing and assembling equip-

promotions scheduled

ment and tools will also be shown. The exhibition will be preceded by an intensive promotion campaign in Thailand and selected countries in Southeast Asia aimed at attracting to the Bangkok Trade Center a select trade audience comprised of: fabricators of aluminum, managers of metal working plants, builders, architects, government officials, engineers, leading importers and distributors, and other special target groups that participants express interest in reaching. During the exhibition, the Trade Center will stage a three-day seminar for Southeast Asian businessmen on the various applications of aluminum. For additional information, call Area Code 202, 967-5297. **Bangkok Trade Center. June 2-6.**

ADVANCED MEDICAL EQUIPMENT. Germany. U.S. achievements in the advanced medical equipment field have long been recognized by Germany's leading doctors. Approximately 4,000 of these specialists will attend the Medical Congress, Diagnostica, at Karlsruhe with primary emphasis in the diagnostic field. Concurrently, the U.S. Department of Commerce will sponsor a special exhibition of advanced medical equipment. Current investments for modernization and enlargement of Germany's 3,600 hospitals amount to $250 million a year with $50 million spent annually on medical electronics and advanced laboratory equipment. U.S. manufacturers interested in selling to this 650,000 bed market can also look forward to selling to the 150 clinical and central hygiene institutes which are currently carrying on research in various fields of medicine. For further information, call Area Code 202, 967-3088. **Frankfurt Trade Center Offsite Show at Diagnostica, Karlsruhe. June 6-10.**

AUTOMOTIVE PRODUCTION EQUIPMENT. Japan. The phenomenal expansion of automotive production in the last few years has made Japan the world's second largest producer. There was a production increase of almost 40% during Japan's fiscal year 1967 and the Japanese Government has predicted nearly a 300% growth in passenger car production in 1971 over 1966. This will result in 2.4 million passenger cars in a total output of almost 5 million vehicles. Thus it is no surprise that all 10 major auto manufacturers and the more than 1,000 parts manufacturers are surging ahead with expansion plans to meet the booming domestic and climbing export demands. Equipment investment in the automotive industry rose by 74% in Japan FY 1967. Another substantial increase was forecast for fiscal 1968. A Japanese Government program aiming at the modernization of automotive parts manufacturing provides low interest long-term loans for the purchase of 110 different types of machinery. Product categories with outstanding sales potential in Japan are: metal cutting and metal forming machine tools; painting and plating; test and inspection; specialized assembly, and continuous heating equipment; and packaging machinery. Call Area Code 202, 967-4511 for additional information and a space reservation. **U.S. Solo Exhibition, Tokyo. June 10-14.**

MARINE EQUIPMENT. United Kingdom. The British shipbuilding order book for 1968 is expected to exceed 1967 orders by 106%. The devaluation of the pound plus reorganization of the shipbuilding industry has given British shipbuilders a competitive edge over the European shipyards and placed them on parity with the Japanese shipyards. The United Kingdom ranks fourth among the shipbuilding nations of the world, and only slightly behind West Germany on the basis of total order book. Extensive interviews with British shipbuilders and fleet owners indicate a tremendous interest in United States marine equipment. This interest covers a large list of products in the categories of engineering equipment, navigational equipment, deck and cargo gear, and special equipment for the fishing industry. A limited number of products were designated in the product categories of hull and safety equipment as well as a number of miscellaneous categories. For complete details on how you may participate telephone Area Code 202, 967-3849. **London Trade Center. June 11-18.**

DATA PROCESSING. Thailand. There is a growing need for data processing equipment and know-how to help Asian nations meet the demands of rapid economic growth and industrial expansion. At the Bangkok data processing seminar exhibition experts from American firms will meet with key government and business leaders from throughout Asia to discuss the computer field and its many applications in developing countries. The seminar will place emphasis on workshop sessions and small work groups to encourage an exchange between Americans and Asians while the exhibition will display products and equipment of U.S. manufacturers and will include films, graphics and mock-up models. For further participation information, call Area Code 202, 967-5148. **Bangkok Trade Center. June 23-27.**

FOOD PROCESSING AND SERVING EQUIPMENT, Japan. Japan's dramatic industrial expansion is taking place in a tight labor market resulting in increasing wages and a higher standard of living for the average Japanese citizen. The fiscal year 1968 (ended March 31, 1969) per capita income is conservatively estimated at $1,040, a 9% increase over FY 1967. Moreover, there is a continuing trend towards more eating away from the home and the consumption of western type foods. Imports of food processing and packaging equipment in 1967 were $6 million and $7.4 million respectively, representing significant increases over 1966. A large part of eleven acres at EXPO '70 in Osaka will be devoted to restaurants and coffee shops. The Japanese market now offers excellent sales opportunities for food processing, packaging and serving equipment. In addition, this exhibition offers a rare opportunity to benefit from Japanese end-users purchases for EXPO '70. Take advantage of this rare opportunity to participate in a dynamic market by calling Area Code 202, 967-5286. **U.S. Solo Exhibition, Osaka. July 21-25.**

TRADE CENTER SHOWS draw thousands of interested trade buyers to see displays of U.S. equipment. The exhibitions, such as this one on chromatography and spectroscopy at the U.S. Trade Center in Frankfurt early this year, are open only to members of the industry concerned with the products shown.

GRAPHIC ARTS EQUIPMENT. Japan. Japan's dynamic graphic arts industry has experienced an estimated annual growth rate of 20% and the industry is expected to continue expanding. To accommodate this growth, imports of printing machinery and related products have amounted to around $15 million a year during the past few years. As one indicator, Japan ranks second in the world in magazine circulation with a total annual production of 1.4 billion copies in 1966. In addition, 121 newspapers have a daily circulation of 32 million. Increasing demand for the services of this industry combined with an acute shortage of skilled labor has created a growing market for modern high-speed American made equipment. Products that have a particularly good potential for sales in Japan include electronic offset and letterpress platemaking equipment, high-speed multi-color sheet fed offset press and lithographic rotary press, high-speed automatic precision bookmaking equipment, densitometer and other testing equipment, high-speed multi-color rotary letterpress, automatic photo developing and finishing equipment, electronic photocopy equipment, collating machines, and drawing instruments for analog computers. Take advantage of this opportunity to exhibit in a dynamic market by calling Area Code 202, 967-4705 to reserve exhibit space. **Tokyo Trade Center. July 21-26.**

PAPER CONVERTING, PRINTING EQUIPMENT. Thailand. Thailand today offers immediate and long range sales opportunities and profits for U.S. manufacturers of paper converting, printing and allied equipment. The rapidly increasing tempo of business, the brisk advance of industrial development, coupled with the ready acceptance of advanced methods of packaging, merchandising and business management have led to an accelerated use of paper in all its forms. While the demand for paper products continues to expand, local Thailand producers are presently able to supply less than a quarter of the paper stocks needs. Over the next year, however, completion of several large new paper factories will change the supply substantially, especially for kraft, newsprint and some simpler types of paper stock. This local source of less expensive paper is expected to further stimulate Thailand's domestic converting and graphics industry, creating more promising markets for U.S. manufacturers. For additional information call Area Code 202, 967-4858. **Bangkok Trade Center. Sept. 16-19.**

CHEMICAL PROCESSING EQUIPMENT. Japan. The dynamic expansion of chemical production in the last few years has made Japan the world's second largest producer. The chemical industry increased production by 17% in fiscal year 1967 with a 10% increase estimated for FY 1968. Japanese petrochemical production alone increased 28% in FY 1967 to 25% of aggregate chemical output. Equipment investment in the chemical industry rose by an estimated 55% in FY 1968 to $1.4 billion. The petrochemical industry, which has a 50% share of chemical investments, estimated increasing investment in FY 1968 at 78.2% over the preceding year. A recent market study indicates strong Japanese interest in certain types of U.S. chemical processing equipment. U.S. manufacturers can capture a growing share of this market as the Japanese desire the most modern equipment and will pay for it. Some of the products with outstanding sales potential in Japan are: corrosion resistant materials; disposal, recovery and cleaning systems; temperature and pressure equipment; separating, size reduction and classification equipment; instruments for plant control, automation equipment and vacuum equipment. For more information on this market and for full details on how you may participate, telephone Area Code 202, 967-4511. **U.S. Commercial Exhibition, Chemical Plant Engineering and Measuring Equipment Show, Tokyo. Sept. 16-21.**

COMPONENTS FOR MACHINERY & VEHICLES. Scandinavia. This exhibition will be directed primarily to Scandinavian original equipment manufacturers of machinery and vehicles. There are several hundred such firms in Sweden alone who manufacture over $1 billion of the following types of machinery and vehicles annually (value of equipment produced in 1966 in parentheses): Materials handling equipment ($117 million); excavating, mining, crushing, and sorting machinery ($100 million); tractors and farm machinery ($98 million); machine tools and woodworking machinery ($60 million); automobiles, trucks and military vehicles ($454 million); other specialized industrial machinery ($197 million). Swedish equipment manufacturers alone use $600 million of components annually for machinery and vehicles, and half of these components are imported. According to a market survey just completed overseas, the Swedish markets for hydraulic and pneumatic equipment and hydrostatic transmissions are expanding very rapidly, and U.S. companies should get a large share of these markets. Other areas in which U.S. companies should achieve good sales are: specialized electric motors, diesel engines, clutches and couplings, special engines and fuel cells, numerical controls, coolant pumps and filters, specialized controls and switches, etc. For more information on these markets and for full details on how you may exhibit, telephone Area Code 202, 967-5751. **Stockholm Trade Center. Sept. 17-23.**

MACHINE TOOLS AND QUALITY CONTROL EQUIPMENT. Mexico. With the substantial growth of the volume of products manufactured in Mexico and the increasing need to export to support its industrial growth, industry in Mexico has come to realize the importance of product quality in sustaining market acceptance. However, the improvement of quality is difficult due to a shortage of skilled labor. The industry of Mexico is increasingly finding that the use of more advanced and automated machine tools and equipment, complemented by a full scale quality control department, is the best solution to its problem. As this trend to advanced machine tools continues at an accelerated pace, U.S. industry can improve its share of the Mexican market through aggressive selling and greater sales promotion efforts. To assist the U.S. machine tool industry, the Department of Commerce and the American Society of Tool and Manufacturing Engineers (ASTME) will sponsor the First Inter-American Manufacturing Engineering Conference to be held in conjunction with the Department of Commerce Machine Tool Solo Exhibition. For additional information, call Area Code 202, 967-5506. **U.S. Solo Exhibition, Mexico City, Sept, 18-26.**

WELDING AND CUTTING EQUIPMENT. Germany. The Department of Commerce will sponsor a U.S. Exhibition at the Seventh Welding and Cutting Trade Fair at Essen in September. This fair is held every four years and is acknowledged to be the largest and most important fair in its field. For further information call Area Code 202, 967-4601. **U.S. Commercial Exhibition, Seventh Welding and Cutting Trade Fair, Essen. Sept. 20-28.**

THERMAL INSTRUMENTS. United Kingdom. In the United Kingdom the market for all thermal instruments totaled $75 million in 1968. That group of thermal instruments to be included in this exhibition had a 1968 market of $50 million. The thermal instrument market, under conditions existing at the beginning of the year, is projected to increase by 10% in 1969. Imports from the United States into the United Kingdom are expected to increase in 1969 over 1968 by approximately 5%. The increase will be greater for those products incorporating advanced technology as the United Kingdom continues to rationalize and expand industrial production. The objective of the thermal instruments exhibition is to give an opportunity to the major users in the United Kingdom to review all their thermal instrument requirements against the best the United States manufacturers have to offer. For complete details telephone Area Code 202, 967-3848. **London Trade Center. Sept. 22-26.**

COMPUTER COMMUNICATIONS AND DISPLAY EQUIPMENT. Germany. Germany is the largest computer market outside the United States. There were approximately 3,800 computers installed as of January 1, 1968, and this figure is projected to grow by about 1,000 installations per year until 1972. Exports from the U.S. have also grown on an average of 50% during the past 3 years reaching $81 million in 1968. Over 80% of the computers installed and on order in Germany are of U.S. design making most U.S. peripheral and software compatible. Plan now to explore this giant market further. For detailed market information, call Area Code 202, 967-4162. **Frankfurt Trade Center. Sept. 22-26.**

AUTOMOTIVE DIAGNOSTIC AND SERVICE EQUIPMENT. Japan. Phenomenal growth in automobile ownership, combined with a compulsory comprehensive inspection system, has created a growth market for diagnostic and service equipment. Thirteen million four-wheel vehicles were registered in Japan in 1968, a 30% increase over 1967. By 1973, registrations are expected to reach 22 million. Over 40,000 automotive service facilities are now in existence, and severe shortage of skilled mechanics has created a growing demand for advanced service and maintenance equipment. Government regulations require detailed semi-annual inspections of privately owned automobiles and monthly inspection of commercial vehicles. All vehicles must undergo comprehensive annual inspection. There is, therefore, a considerable market for diagnostic equipment. Currently 2,000 private repair shops are authorized to undertake this inspection, and by 1974 the number is expected to increase to 9,600. In 1967, 38 U.S. firms successfully exhibited in a similar show in the Tokyo Trade Center. Take advantage of this opportunity to sell in a rapidly expanding market by calling Area Code 202, 967-4511. **Tokyo Trade Center. Sept. 29-Oct. 4.**

PRODUCTION EQUIPMENT FOR THE ELECTRONICS INDUSTRY. Japan. The market for electronics production equipment is one of the most intriguing in Japan today. Japan has carved out a position in world markets as the second largest producer of electronic products. This breathtaking growth has fostered a dramatic increase in demand for electronics production equipment, a significant portion of which must be imported. For example, imports account for from 60-70% of the integrated circuit production equipment used in Japan. Purchases of electronics production equipment during 1968 have been estimated at over $30.5 million. The largest single category was IC production equipment ($14 million) followed by production equipment for semi-conductors ($8.3 million), automatic printed circuit boards ($5.3 million), and semi-conductor material ($2.7 million). U.S. products are in demand. The U.S. Exhibition will include production equipment for manufacture

of integrated circuits, printed circuit boards, semi-conductor materials and components, and large scale wire interconnecting equipment. This Exhibition is part of the annual Japan Electronics Show sponsored by the Electronics Industries Association of Japan. Take advantage of this opportunity to exhibit in one of the world's most dynamic markets for electronics production equipment by calling Area Code 202, 967-4705. **U.S. Commercial Exhibition, Japan Electronics Show, Osaka. Oct. 1-7.**

NUCLEAR EQUIPMENT, Switzerland. One of the fastest growing and most promising fields today is the application of nuclear technology in industry, medicine, power, agriculture and research. As commercial applications of nuclear technology become more widespread, the market for nuclear equipment and instruments expands. The European market is becoming especially attractive as programs for nuclear energy for power generation and the use of nuclear technology for many other uses becomes a multibillion dollar business. Sales of nuclear equipment will soar as the industrialized countries expand their activities in this field. New opportunities for U.S. suppliers of nuclear equipment are opening up. NUCLEX '69, the International Nuclear Fair, will afford U.S. manufacturers of all types of nuclear equipment and instruments the opportunity to show their products to all the important visitors who will be attracted to this outstanding international event. For additional information, call Area Code 202, 967-5757. **U.S. Commercial Exhibition, NUCLEX '69, Basel, Switzerland. Oct. 6-11.**

INDUSTRIAL PROCESS CONTROLS. Germany and the Netherlands. $350 million! That's the forecast of the size of the 1969 market for industrial process controls and computers in Germany and the Netherlands, and the outlook is for an absolute minimum growth of 10% annually for the next five years. An acute shortage of skilled labor and international competition have combined to create a receptive market in both Germany and Holland for U.S. products in the process control field. To assist U.S. firms to exploit this sales opportunity, the Commercial Exhibitions Program will sponsor a unique floating exhibition, incorporating the K.D. Lines' ships, the M.S. Loreley, and M.S. Europa. Exhibition stops will be made in Germany at Cologne, Karlsruhe, Wiesbaden (Frankfurt area), and Duisburg (head of Ruhr Valley area), and in the Netherlands at Rotterdam. For complete details on this unique Rhine Solo Exhibition, phone Area Code 202, 967-3088. **U.S. Solo Exhibition, Rhine River, Germany and the Netherlands. Oct. 13-25.**

ENVIRONMENTAL POLLUTION CONTROL. Scandinavia. In March, 1969, Sweden will kick off an extensive Government, TV and radio-sponsored campaign for new and improved control measures in the areas of air and water pollution. While there are no specific statistics available regarding production and foreign trade in this area, an on-the-spot survey reveals a very active and growing market in Scandinavia for pollution control equipment, as well as monitoring and calibration instrumentation. In 1969, Sweden alone will spend over $100 million on such equipment and instrumentation, Potential best sellers for American manufacturers range from sludge reduction equipment to sophisticated calibration equipment for measuring presence of metal, fluorine and acid in industrial effluent. American manufacturers of solid waste disposal equipment and noise abatement devices are also invited to participate in this important event. This is a too-good-to-miss opportunity for U.S. firms to show and sell their products in the Nordic market area. For further information on the demand for pollution control equipment and instrumentation in Scandinavia, and for full details on how you may exhibit, call Area Code 202, 967-3741. **Stockholm Trade Center. Oct. 15-21.**

CONNECTORS, RELAYS, MICROSWITCHES, POTENTIOMETERS. Germany. German consumption of electrical components is growing at one of the fastest rates for any segment of the economy. The total market, aside from the demand of the German Bundespost for connectors, relays, microswitches, potentiometers, is estimated at $90 million a year. It is expected to grow at a rate of 20% a year. The American share of this market is about 30% with about $15 million representing direct imports from the USA, the balance being manufactured in Germany and other European countries. A substantial portion of these imports is intended for military applications. For further information of this market and how you may exhibit, call Area Code, 202, 967-4162. **Frankfurt Trade Center. Oct. 20-24.**

DYNAMICS TEST EQUIPMENT. United Kingdom. In 1968, the U.S. share of total United Kingdom imports reached 12.9%, a .4% improvement over 1967. U.S. dollar volume was up approximately 10%, with a 5% improvement expected in 1969. Thus the U.S. continues to improve its position in this market in the face of import and economic restraint regulations. To assist U.S. industry to further penetrate the U.K. market, a dynamics test equipment exhibition will be held featuring test equipment in the disciplines of vibration, acoustics, shock, fatigue, force, strain, and pressure. The exhibition

MOST SUCCESSFUL SHOW in Commerce exhibition history was held earlier this year at Rome. Exhibitors at the PURAQUA show of water purification and desalination equipment forecast $33 million in first-year sales.

promotion campaign will cover all industries offering a significant market for dynamics test equipment. Special emphasis will be placed on promotion to the major industry areas of automotive, aeronautical, electronic, civil engineering, architectural and packaging operations. For complete details as to how you may participate in this exhibition, telephone Area Code 202, 967-4461. **London Trade Center. Nov. 10-14.**

SHIPBUILDING, MARINE AND PORT EQUIPMENT. Netherlands. Shipbuilders, shipowners, stevedoring companies and port officials from throughout the world will attend this show, which is the largest international maritime exhibition. The shipbuilding and marine industries are regaining vitality and are again becoming important in the economies of the Western European maritime countries. As of Oct. 1, 1968 these countries had 51.1% of the total world's new ship tonnage either under construction or on order. In recent years European shipyards have invested heavily in building mammoth size docks to accommodate construction of vessels weighing 250,000 d.w.t. New yards are under construction and more are scheduled for completion within the next two years to facilitate building of the super size vessels. Both builders and owners are looking for advanced equipment and machinery which will help them maintain or improve their competitive position. European ports have also had to invest heavily in new facilities to meet the ever increasing demand for faster and more efficient service in unloading and loading cargoes. For example Rotterdam, the largest port in the world, will invest over $300 million within the next five years in adding and improving port facilities. Recent market surveys indicate that U.S. manufacturers of sophisticated maritime products will find an exciting profitable market for equipment incorporating the latest technological developments. Firms interested in reserving space for this exhibition should act immediately due to the limited space available and the high degree of interest in this show prevailing in industry. For further details call Area Code 202, 967-4256. **U.S. Commercial Exhibition, EUROPORT '69, 8th Annual International Maritime Exhibition, Amsterdam. Nov. 11-15.**

METALLURGY '70. United Kingdom. The U.K. Government is planning massive investments in the public sector of the steel industry to modernize equipment and facilities to improve the industry's competitive position in world markets. Special loans are to be made to the private sector of the aluminum industry in order to establish a primary production capability to meet the major share of U.K. consumption needs in this metal. Since only 10% of aluminum consumed is now produced in the U.K., substantial investments in machinery and equipment will be needed to reach this goal. Imports by the U.K. of nonferrous metals totals over $1 billion annually. The U.K. production capacity for all metals is insufficient to meet their annual consumption. The powder metal industry is running at a $36 million pace with 80% of all powder metals being imported. By 1975, consumption of powder metals is expected to reach $134 million. The exhibition will feature the product categories of automation instrumentation and controls, physical test equipment, specialty metals and alloys, and powder metallurgy materials and equipment. For complete details telephone Area Code 202, 967-3838. **London Trade Center. Dec. 8-12.**

MEASURING, RECORDING AND CONTROL INSTRUMENTATION FOR THE CHEMICAL INDUSTRY. Germany. The Department of Commerce will organize a U.S.

America Weeks

America Weeks are overseas retail sales promotions of U.S. consumer goods.

Overseas retailers planning one of these promotions make their merchandise selections through overseas offices or agents of American manufacturers or through an appropriate U.S.-based buying office.

Announcement of each separate America Weeks promotion, along with the name of the related buying office, is made by INTERNATIONAL COMMERCE. Consumer goods suppliers interested in selling to overseas stores holding America Weeks promotions should contact the overseas stores directly if agents are utilized, or otherwise work through the stores' U.S.-based buying office.

Any U.S. organizations interested in supplying promotional material for this program are asked to give a brief description of the exhibition or demonstration, and to indicate the languages in which it is available.

Write: America Weeks, BIC-926, Department of Commerce, Washington, D.C. 20230.

Sample Displays

A Sample Display Center is just what its name implies—a place to show samples of U.S. products.

U.S. firms without agents in the area may use any Center to present their products to prospective local agents and distributors.

Centers are supervised by U.S. commercial officers at the embassies in the host countries. U.S. products and descriptive literature may be displayed without charge for 30 days.

For information on the Centers in Bangkok, Beirut, and Nairobi, **write:** Sample Displays, BIC-918, Department of Commerce, Washington, D.C. 20230.

For the Sample Displays at Addis Ababa and Hong Kong, **write** to the Commercial Attache at the American Embassy in Addis Ababa and the Consulate General in Hong Kong.

Mobile Trade Fairs

Mobile trade fairs are private business ventures designed to show and sell products of U.S. business and agriculture through traveling exhibitions carried in ships, airplanes, trains and exhibit vans.

Objectives of a mobile trade fair are to help U.S. firms enter the exporting field; to open new markets for American goods; and to assist U.S. business concerns in finding overseas agents.

The Bureau of International Commerce provides technical support and certain kinds of financial assistance to qualified mobile trade fair operators.

Write: Mobile Trade Fairs, BIC-926, Department of Commerce, Washington, D.C. 20230.

Exhibition of instrumentation for the chemical industry at ACHEMA 1970. The fair, held every three years, is regarded as the world's leading showplace for equipment for the chemical industry. For further information call Area Code 202, 967-2425. **U.S. Commercial Exhibition, ACHEMA 1970—16th Chemical Engineering Exhibition and Congress, Frankfurt. June 17-24, 1970.**

Space fully booked

The following shows, in which all available exhibit space has been reserved, are still open for visits by interested representatives of the industries involved. U.S. firms with sales representatives or distributors in the area of any of the listed Trade Centers and exhibitions can ask these local businessmen to visit the shows to see the 'state of the art' in each particular field.

FLUIDIC DEVICES. United Kingdom. This highly specialized show will attract engineers, scientists, researchers, manufacturers, industrialists, commercial firms and government officials interested in viewing the latest developments in fluidics and advanced switching devices. **London Trade Center. Apr. 14-18.**

MATERIALS HANDLING EQUIPMENT. Italy. U.S. makers of industrial in-plant materials handling systems and equipment should find attractive sales opportunities resulting from continued economic expansion and the increasing emphasis on industrial modernization. **Milan Trade Center. Apr. 14-25.**

ELECTRONIC COMPONENTS, Scandinavia. Growth rates for certain types of electronic components exported from the U.S. to Scandinavia have ranged from 35% to 300% during the past year. Scandinavian use of integrated circuits will double in 1969. Of the four Scandinavian countries, Sweden presents the largest market for these components—consuming over $100 million worth in 1967. **Stockholm Trade Center. Apr. 16-22.**

METALWORKING AND WELDING EQUIPMENT. United Kingdom. Currently, there are 1.14 million machine tools and 75,000 welding equipment units in operation in the United Kingdom. For the first half of 1968 orders placed for delivery from all sources were up 6% over the same period in 1967. **U.S. Commercial Exhibition, London International Engineering and Marine Exhibition, Olympia, London, England. Apr. 22-30.**

ELECTRICAL EQUIPMENT AND SUPPLIES. Thailand. Thailand's electrification program—a concerted effort to increase electric power output and spread its availability—and steadily increasing prosperity has produced a construction boom in Thailand which together have created a rising demand for electrical construction supplies and equipment. **Bangkok Trade Center. Apr. 28-May 3.**

AGRICULTURE AND FOOD PROCESSING EQUIPMENT. Yugoslavia. American machines and technology are widely acknowledged to be the most suited to the type and size of production which is peculiar to Yugoslavian agriculture and food processing. The Novi Sad Fair is the traditional marketing showplace for this equipment in Yugoslavia. **U.S. Commercial Exhibition, 36th International Agricultural Fair, Novi Sad. May 9-19.**

PACKAGING EQUIPMENT. Germany. American equipment continues to be competitive and is finding even greater acceptance as Europeans accelerate the scale of the in-plant packaging system closer to those prevailing in the U.S. Truly an international fair, INTERPACK will attract buyers from all over the world. **U.S. Commercial Exhibition, INTERPACK —5th International Fair for Packaging Machines, Packaging Materials and Confectionery Machinery, Duesseldorf. May 10-16.**

ANALYTICAL AND LABORATORY EQUIPMENT. Japan. Expenditures for research and development by Japanese universities, national research institutes, and private companies have increased at an annual growth rate of 15 to 20% during the last few years. At this rate, expenditures for the purchase of laboratory and analytical equipment should reach $600 million by 1970. **Tokyo Trade Center. May 12-17.**

OPTICAL AND PHOTOGRAPHIC SYSTEMS. Scandinavia. A market survey reveals strong Scandinavian interest in these types of U.S. made equipment. The markets are sizable and over $4 million of this equipment was shipped to Sweden and over $2 million worth was shipped to the other Scandinavian countries from U.S. plants in 1967. Rapid sales growth is forecast for certain products. **Stockholm Trade Center. May 19-24.**

HIGH VACUUM AND CRYOGENIC EQUIPMENT. Italy. Demand in Italy for high vacuum and cryogenic equipment has increased steadily the last few years with the growth of the chemical, food processing, electronics and other industries that use high vacuum and cryogenic equipment. Currently, consumption of high vacuum equipment in Italy is valued at $10 million and Italian production satisfies about 40% of total domestic demand. **Milan Trade Center. May 22-26.**

AEROSPACE EQUIPMENT. France. Aviation facilities are feeling the strain of heavily increasing traffic. Sales prospects for U.S. made equipment throughout Europe's aerospace industry are excellent. An opportunity exists for U.S. firms to enter this expanding market to introduce recent innovations and significant developments in this field. **U.S. Commercial Exhibition, 28th International Aviation and Space Salon, Paris. May 29-June 8.**

DATA PROCESSING. Scandinavia. The Stockholm show will attract from throughout Scandinavia potential buyers representing Government agencies, banks and other financial institutions, computer time-sharing centers, manufacturing establishments and firms engaged in providing transportation services. **Stockholm Trade Center. June 11-17.**

INDUSTRIAL AND PUBLIC SECURITY EQUIPMENT. Italy. Unprecedented Italian economic expansion is creating problems whose solution requires the use of sophisticated security systems and equipment. For American manufacturers of security items ranging from such items as electronic intrusion detection equipment, fire alarm devices, and lock systems through personnel identification systems to police equipment for such functions as crowd and traffic control, sales prospects have never been better. **Milan Trade Center. June 21-16.**

Mexico still on move

Another strong growth year expected, after 7.1% real GNP rise in 1968

Toward the end of the first quarter of 1969, there were indications that Mexico will have another year of strong growth to follow the 7.1% real increase in the gross national product during 1968, which was accomplished with somewhat better price stability than in the preceding year.

The strongest component in the GNP was again manufacturing but the agricultural sector made the most significant gain, according to the semi-annual Economic Trends Report from the U.S. Embassy in Mexico City. The value added by that sector was more than double the average of the preceding two years although still less, at 4%, than the growth for the economy as a whole. A better showing in the mining sector also added to the picture of more balanced growth.

As the economy expands, particularly because of the growth of industry, the pace of imports necessarily continues high. The trade gap for 1968 reached a record of $782 million, even though exports recovered after the 1967 slowdown. This gap was bridged by other inflows of funds, with the result that the balance of payments at the end of 1968 was again favorable.

A very good outlook for cotton, in particular, should help exports in 1969 show at least as much growth, close to 8%, as in 1968. However, the demands for imports are such that any reduction in the trade gap is likely to be small, which points up the great importance for Mexico of plans to expand the potential of earnings from tourism.

Consumer spending, at least according to sales of automobiles and television sets, will be one strong element moving the economy forward. Another will be continued private investment in new plant and equipment, even though availability of credit may be somewhat limited. Finally, spending by the public sector will be important, as the present administration strives to complete such big projects as the subway system in Mexico City.

In the six months since the last Economic Trends Report for Mexico, the Olympic Games were carried out in a more successful manner than even the most optimistic had expected. This achievement had a dual effect. The immediate was mainly psychological, making Mexicans themselves realize with pride that their country had reached the point where it can muster the organization and resources to carry off an effort up to now made only by industrialized nations. The long term effect will be seen in more tourism and more foreign investments in Mexico as a result of the growing world awareness of the progress and the attractions of the country.

Implications for the U.S.

Of obvious importance to the United States is having its immediate neighbor to the south continue to expand and diversify its economy within relative price stability. Millions of Americans for the first time became aware of Mexico's progress when they watched the extremely successful Olympic Games on television. Additional thousands who visited the country in 1968 were able to take back firsthand accounts of what Mexico is in the process of becoming, a developed country.

In Mexico's rapidly expanding imports, up 12.1% in 1968, the United States remains by far the principal supplier. For the first time in several years, 1968 showed no percentage decline in the U. S. share of Mexico's imports. Although this is encouraging, the competition from other industrialized countries has not diminished. To meet it, U.S. exporters must keep up energetic sales efforts, remembering that the most attractive "packages" include the availability of export credits plus arrangements for prompt and effective servicing of delivered equipment.

Mexican exports showed a good recovery in 1968 after the slowdown of 1967 and the proportion to the United States was somewhat larger than in 1967. Mexico is trying hard to expand much more its exports of goods. Thus, it will remain particularly sensitive to any actions that its best market, the United States, might take that would in any way limit export opportunities.

A case in point is the excitement caused here by the recent limitation on sizes of tomatoes that could enter into U.S. interstate commerce, including imported tomatoes. Because of a bumper crop in Mexico, total exports of tomatoes to the U.S. have increased substantially despite the size limitation, but the fact of the limitation still was an irritant in Mexican-American relations.

Mexico's concomitant efforts to increase its exports of invisibles, i.e. tourism, offer some of the best opportunities for U.S. investors in hotels and other tourist facilities. Other investment possibilities are no less frequent in manufacturing, especially for export, and in agri-business. In every case, joint ventures have the best chance of approval by Mexican authorities.

Price stability continues

The dominant trend in the Mexican economy is growth. The increase of 7.1% in real GNP for 1968 marks the 36th year of uninterrupted advance. Particularly in recent years, growth has been achieved with relative price stability, and there has been no change in the parity of the peso since 1954.

Analyzing Mexico's strong growth over the last five years without major inflationary pressures, a leading private banker recently stated that although Mexico would continue to have ups and downs they are becoming less severe because of the growing importance of industry, the increasing efficiency of services including commerce, the expansion of irrigated areas and greater modernization of agriculture,

Public outlays rise

It has been announced that public investment in 1969 will be 12.5% over that of 1968. More than in the past, spending is expected to stress assistance to economic development through government participation in large basic industry companies, such as fertilizer, petroleum and electric power. At the same time, spending for feeder roads, irrigation works and other investments to help the rural sector will probably continue at least at the 1968 level.

and the importance of spending by the public sector.

The heavily weighted sectors of manufacturing and commerce, advancing somewhat more than in 1967, were mainly responsible for the higher rate of total GNP increase in 1968. Fortunately, better growing conditions throughout the country permitted a strong recovery of agricultural production. Mining also improved. The one sector with a minus growth was fishing, but it has a weight of only 0.2%. Construction, electric energy and petroleum were down from their rather spectacular growth of 1967 but still at high levels.

The more restrictive money and credit policies followed by Mexican financial authorities since mid-1967, along with price controls on items of basic necessity, continued to have a salutary effect on the economy through 1968. Thus, price increases were very moderate despite the stimulus of both public and private spending on construction and other preparations for the Olympic Games, the biennial increase in minimum wages which took effect Jan. 1, 1968, and the generally higher prices of imported raw materials and components for Mexican industrial production. In fact, the wholesale price index for Mexico City rose only 1.9%, compared with 2.9% in 1967.

In 1968 the impetus for Mexico's economic growth was spread more evenly between the public and private sectors than in 1967. Combined investment spending by the two sectors grew 13.8%, and in this investment the most important element was construction. Not only were Olympic installations completed and hotel capacity increased, but intensive work continued on the Mexico City subway (the first line of which is due to open in June) and there was no neglect of public works projects throughout the country.

The Bank of Mexico, mainly through the mechanism of minimum reserve requirements for the private financial institutions, continued to orient the flow of money and credit toward maximum economic growth with stability, also channeling significant amounts of funds into supervised agricultural credit, low-cost housing and other development purposes. Thus, in 1968 money in circulation had an average increase of 12.9%, a little over that of the GNP at current prices.

Also, credit was available for important investment purposes as the resources of the private banking system rose by 15.8%. The increase of deposits of both pesos and foreign currencies in Mexican financial institutions was particularly significant since, in the months before the Olympics, student strikes and demonstrations had resulted in some flight of capital as confidence was temporarily affected. A measure of the resilience of the Mexican economy was the quickness with which such capital returned once the unrest subsided.

Tourism earnings up

Under the impetus of the Olympic Games, the number of visitors to the interior of Mexico in 1968 increased by 200,000 to about 1.9 million. Since stays were longer and spending per person greater than in 1967, net tourist earnings were up almost 17%, after deducting expenditures by Mexican tourists abroad. The net in Mexico's favor from border transactions also increased, by 14.5%. As a result, the combined net earnings from tourism and border transactions reached $510 million, an increase of 15.5% over 1967.

Private sector investment may not increase as much as in 1968, largely because of an anticipated tighter credit situation. Since the spread between the cost of borrowing money in Mexico and the cost of borrowing abroad has narrowed as foreign interest rates have risen, the demand for local credit is expected to be greater than ever. Many businessmen, both Mexican and non-Mexican, who formerly might have sought loan funds abroad may thus defer new construction or expansion plans until interest rates go down and money is generally more available, especially when they consider the higher tax and labor costs also expected in 1969.

Manufacturing expands

The expansion of Mexican industrial production in 1968 was related rather closely to the availability of domestic credit. Even though such credit from both commercial and private investment banks showed significantly larger increases than in 1967, not all loan requests by business and industry could be met. Among the major production increases were 12.9% in consumer durables, including 22% in refrigerators, 23% in automobiles and 32% in television sets, the latter greatly stimulated by the Olympics.

Other important increases were in basic materials, with iron and steel up 11.4%, certain chemicals up from 14% to 18%, cement up 8.4% and fertilizers up 17.5%. Another indication of the strength of the industrial sector was seen in record sales of electric energy and production of electrical machinery (up 27%).

Available production figures for the first two months of 1969 indicate that Mexican industry will enjoy another year of substantial growth. For example, through February new car sales were running about 24% ahead of the same period one year ago and sales of basic chemicals about 16% ahead. Demand thus far indicates at least normal production growth for the principal household durables. In the textile industry it is reported that consumption of cotton is about 12% and of artificial fibers about 15% over that of a year ago.

The optimism suggested by these figures must be tempered by the recognition of capacity limitations in certain industries, such as steel, cement and some chemicals. Credit for new construction and expansion will remain tight, and industrialists face a number of other factors that will mean generally higher costs of operating. These include more tax payments, especially as of Oct. 1 when the "value added" tax takes effect, a probably higher wage bill if the presently projected labor legislation is enacted, and more expensive import components as prices rise in the United States and elsewhere.

Furthermore, it can be expected that the Government will continue to press for industry to improve quality and lower prices in order to promote the ability of Mexican manufactures to compete in international markets.

Agriculture recovers

After two years in which agricultural production grew by only 1.6 and 1.5% respectively, the sector achieved in 1968 a growth of 4%. Very important in this recovery was greatly improved cotton production because of favorable weather and other growing conditions. Coffee production also increased though not to the same extent. While wheat production was some 8% lower than in 1967 there was sufficient for increased domestic consumption, and corn provided another surplus for export.

Due mainly to a somewhat reduced area of cultivation the sugar crop was off by 4.6%. Livestock production expanded by 4%, and there were increased exports of both cattle and meat. Because of the 16% drop in the shrimp catch, which is 57% of total fisheries production, there was an overall decline of 6% in this sector despite important increases in other catches.

Optimism regarding Mexican agricultural production is strong for the year 1969, assuming no hurricanes or other unfavorable weather conditions. Reservoirs are full and ground moisture levels are still satisfactory. Perhaps more important, the areas of irrigated land are

U.S. SUPPLIERS HELD THEIR SHARE of Mexico's rapidly growing imports during 1968, for the first time in several years, through such promotional efforts as this Gillette display in a Mexico City store.

expanding and total land under cultivation has also increased. Besides this, much greater use is being made of fertilizers, pesticides and improved seed to insure better crop yields. Programs of supervised agricultural credit, extension work, vocational education and help to small rural industries are other aspects of Mexico's efforts to improve the agricultural sector.

After a year in which there was practically stagnation, the mining industry in Mexico recovered to a growth of 2.7% in 1968, largely due to the stimulus of better international prices. By value, total production was up about 8.5%. By volume, copper production was up 15.4%, mercury 19.3%, lead 6.4%, and silver 1.8%. Iron ore production, used for the domestic steel industry, was up almost 18%. Production of zinc was off 1%. Sulphur declined about 11%, due to lower world prices and demand.

The petroleum industry (Pemex) raised production by 6.2% after a year in which it had expanded by over 11%. There was an adequate supply of refined products for domestic industrial and private use, although exports fell off by 12.8%. Pemex maintained intensive exploration work, obtaining 27% more new producing wells than in 1967.

Mexico's traditional trade gap increased in 1968 to a record level of $782 million, even though exports expanded by 6.7%, in a welcome recovery from the decline of 1967. Imports rose even faster, by 12.1%, after an 8.9% growth in 1967.

Cotton sales abroad were up 18.6% and coffee 29%. Nevertheless, total agricultural and livestock exports were only 2.0% over those of 1967, so that much larger exports in other categories were responsible for the overall 6.7% increase. For example, the value of mineral exports was up almost 6% and of manufactures a little over 10%.

Significant increases

While these manufactures were mainly food products, including sugar, there were also very significant increases in exports of certain non-food manufactures, particularly iron and steel products and glass in various forms, which more than offset the lower returns from exports of cotton textiles, henequen articles, and others.

The figures show that the fourth quarter exports were considerably larger than in other quarters of 1968. While such increases are normal for agricultural exports, the advance in manufactures and minerals may have been due in some part to efforts by exporters to make shipment before the end of December to beat the pending dock strike in the United States. Whatever the factors, Mexico increased the proportion of manufactures in its exports from 19.1% in 1967 to 21% in 1968.

The record level of imports in 1968 was due largely to a 17% rise in private sector purchases of goods abroad, since those of the public sector declined by about 4%. The extraordinary growth of automobile manufacturing in Mexico required 22% more imported components, while there was an almost tripled importation of elements and spare parts for radio and TV sets made here.

Other significantly increased imports were in fertilizers, antibiotics, ingredients for pharmaceuticals, insecticides and fumigants, parts for electrical installations, spare parts for machinery, airplanes and parts, and industrial heating equipment.

In the first two months of 1969 the trade gap widened further, but the picture was definitely distorted by the dock strike in the United States. Nevertheless, the outlook is for imports to continue strong in support of Mexico's industrialization and rhythm of economic development. At the same time, agricultural exports in 1969, after the good growing conditions of 1968, may increase by much more than the 2% of the year just past, while exports of manufactures will hopefully continue at or close to the rate of increase seen in 1968.

The record trade gap in 1968 had a serious impact on the current account position in the Mexican balance of payments. Fortunately, the gap could again be bridged by net earnings from tourism and border transactions, plus new foreign borrowings and foreign investment.

New direct foreign investment, not including reinvested earnings, came to about $100 million, a modest increase over 1967, while net new foreign borrowing totaled $305 million. The Bank of Mexico's gross reserve position increased from $621 million to $670 million as of the end of 1968.

While Mexico's international credit rating remains excellent, the policy is to keep foreign borrowing within limits that do not make servicing the debt too great a burden. While emphasis continues on gradually expanding and diversifying exports of goods, much attention is also being given to developing infrastructure for new tourist areas on both coasts. Such infrastructure would lead to private investment in hotels, restaurants, golf courses, and other facilities, to accommodate the expected heavier flow of visitors to Mexico as one lasting effect of the Olympic Games.

Peaceful areas prosper

Resurgent oil industry helps keep economy relatively stable despite civil war

While the civil war continues to be a heavy burden, those parts of Nigeria outside the war zone have fared well and the basic strength of the Nigerian economy continues to be reaffirmed. The semi-annual Economic Trends Report from the U.S. Embassy in Lagos says that agriculture has had a more typical year, although it was the carry-over crop of peanuts from last year's bumper crops that sustained traditional exports at near pre-war levels. The petroleum industry turned in a stellar performance in 1968, equaling pre-war highs and brightening the prospects for improved foreign exchange earnings.

Taking advantage of restrictions on imports, local manufacturers have continued to do well.

Soft spots have been a slow retail market with lower profit margins, heavy government spending at home and abroad on the war effort, and a slack construction industry. Other strains caused by the civil war, while certainly not disruptive, have sharply braked growth for the present. While some significant projects are under way and post-war planning is in progress, overall growth and development must await the end of the civil war.

Meanwhile, import restrictions, foreign exchange controls, and maintenance of its exports has enabled Nigeria to maintain minimum external reserves and to finance essential imports. Furthermore, arms purchases abroad have been on a pay-as-you-go basis.

For the American businessmen, U.S. products for use by Nigeria's burgeoning petroleum industry will continue to be important, but most other U.S. exports will have to wait until import restrictions and exchange controls are relaxed. Tighter government regulations, plus a general sluggishness in the economy, limit attractive investment opportunities, although there continues to be interest on the part of foreign investors in exploring possibilities.

In the war-affected areas, the United States has provided substantial quantities of foodstuffs and medical supplies in support of international humanitarian relief efforts. In the rest of the country where Nigerian development efforts continue, AID is maintaining a major technical assistance program which emphasizes agriculture and education. Under this technical assistance program, contracts with American universities and businesses assist the Nigerian Government in improving training, education and management.

AID also is continuing a number of high-priority construction projects that are being carried out by U.S. companies. Among others, the list of projects includes a new trunk road north from Calabar, a water supply system in Ibadan and teacher training colleges in the north.

Imports improve slightly

U.S. trade with Nigeria has been greatly inhibited by wartime exchange controls and import restrictions on selected goods which have been quite effective. Consequently, the U.S. share of Nigerian imports slipped from 16% in 1966 to 11% in the first half of 1968, but there has been some improvement recently as expansion in petroleum exploration and production has increased the inflow of specialized oil equipment.

Provision has been made to permit the import of raw materials, semi-processed goods and even new capital equipment for essential industries which produce import substitutes. Foreign exchange controls have made some American firms reluctant to accept orders from Nigeria.

While the sales opportunities at present are limited, U.S. firms could use the opportunity to gain acceptance for their products and thus help open the way for bigger orders after the war. Despite exchange controls, ultimate payment seems assured on authorized imports although U.S. exporters must take into account the several months' delay in receiving such payment. Unfortunately, a few unscrupulous individuals have used these regulations as a screen to fleece the unwary, and caution must be used in selling to an untested buyer.

The end of the civil war should bring a gradual and partial lifting of import restrictions. The expected decline in war material purchases abroad should increase the availability of foreign exchange—which should be higher because of greatly increased exports of crude oil and palm products from the war zone—to pay for some long postponed imports for the civilian sector.

Moreover, Nigeria has held back its borrowing from international financial institutions, and this could be an important source of additional funds to ease the transition from a wartime economy to one of development.

In the beginning, of course, there will be a heavy demand on foreign exchange for the goods necessary to refurbish the nation's infrastructure and to make capital repairs. Urgent capital improvements and equipment for some of the new states plus investments by the private sector, delayed because of the civil war, could also provide markets for American manufacturers.

Competition, especially in regard to prices and terms, will be keen. British businesses, long entrenched here, and German, Japanese and French firms have worked hard to enlarge their shares of the Nigerian market in recent years. An equal effort will be required by American businessmen if they are to take part in a promisingly large market.

Good markets should soon exist for highway construction equipment, as well as all types of equipment and supplies for the burgeoning petroleum sector. The recent spur given to the development of light industry in Nigeria—one consequence of the civil war—should be of interest to manufacturers of semi-processed goods such as chemicals, plastics, and light metal products.

Consumer goods promise

Orders for transportation equipment, civil air ground equipment, radio broadcasting and other communication equipment could be significant. Later, shipments of consumer goods for both Nigerians and the sizable foreign community will also hold promise.

Unfortunately, for the present, many items which America exports and for which there is a high degree of consumer acceptance, are on the restricted list. These include items like household appliances, light air conditioning equipment, clothing and foodstuffs.

Nigeria's civil war is approaching the two-year mark. Outside the war zone, the

country suffers from only minor dislocation, but there is heavy wear on existing infrastructure.

There have been heavy government expenditures abroad and at home in connection with the war effort and a reduced inflow of foreign capital, except for the petroleum industry. Consequently, the economy has shown little growth, and what little there has been is being outpaced by the population growth.

Yet, the country remains basically strong and what cracks there are in the economy are certainly no larger than they were a year ago. As 1968 ended, Nigeria appeared to have weathered what could have become a serious balance of payments problem with a deficit substantially less than the $125 million recorded in 1967. For 1969, with increased oil revenues in prospect, the picture looks brighter. Barring unforeseen developments in the civil war, the international payments position should improve even more this year.

Imports recovering

Imports decreased 14% during 1968, largely due to import restrictions imposed to conserve foreign exchange. In the last half of 1968, however, a rapid increase in imports occurred, which at the beginning of 1969 rose to pre-war levels. Since much of this increase was foreign-financed imports for the petroleum sector and relief agencies, the impact of this increase on Nigeria's balance of payments position was not as great as the import figures would first suggest.

During 1968, exports declined 12% from the 1967 level, but behind this figure is a trend in exports just the opposite of the previous year. In 1967, exports declined as the country slid into a civil war, reaching a nadir at the end of the year. Exports climbed during most of 1968, except for the third quarter, when rains interfered with the movement of agricultural exports.

Although oil revenue will come in at an ever-increasing pace, agricultural exports will continue to be the chief foreign exchange earner for the immediate future. Agricultural exports, particularly peanuts, have moved to market at a good pace, despite major logistical problems.

Oil production now has almost reached the pre-war level of 580,000 barrels per day (BPD) attained in the spring of 1967, before the civil war forced the closure of all but one producing field. The year 1968 proved to be a turn-around year for Nigeria's petroleum industry, with production moving rapidly upward from 55,000 BPD at the beginning of the year to 440,000 BPD in December.

Although the civil war continues on the northern fringe of the producing area and some concession areas of Shell-BP, AGIP and Safrap are still inaccessible, most oil companies operating in the country are again moving forward with their exploration and production plans.

Shell-BP, which has been repairing its damaged production and pipeline facilities in the east since mid-1968, has now restored three-quarters of its pre-war production. With the completion of Shell-BP's mid-western evacuation system in mid-year, Nigerian production will take another strong leap upward and should approximate one million BPD by the end of 1969. Nigeria will then be in ninth or tenth place among oil-producing countries.

With further plans for expansion by Shell-BP and Gulf and with new production by Mobil and other companies, national production will climb steadily in the early 1970's, although probably not so spectacularly as in 1968 and 1969.

Taken as a whole, Nigeria's small manufacturing sector did well during the last half of 1968 and into 1969. Excluding the former Eastern Region, where the civil war has for the most part been fought, industrial production is now about 10% above pre-civil war levels. Compared with 1967, last year proved to be very profitable. Some companies are reporting no idle capacity and sales right on the course they charted before the civil war threatened.

The reasons behind the good showing are many. Military contracts have boosted the textile, footwear and brewing industries. There has been some inventory buildup, where stocks were allowed to run down during the first months of the civil war. Some companies have benefited through windfall markets, which their principal competitors in the old Eastern Region were no longer able to serve.

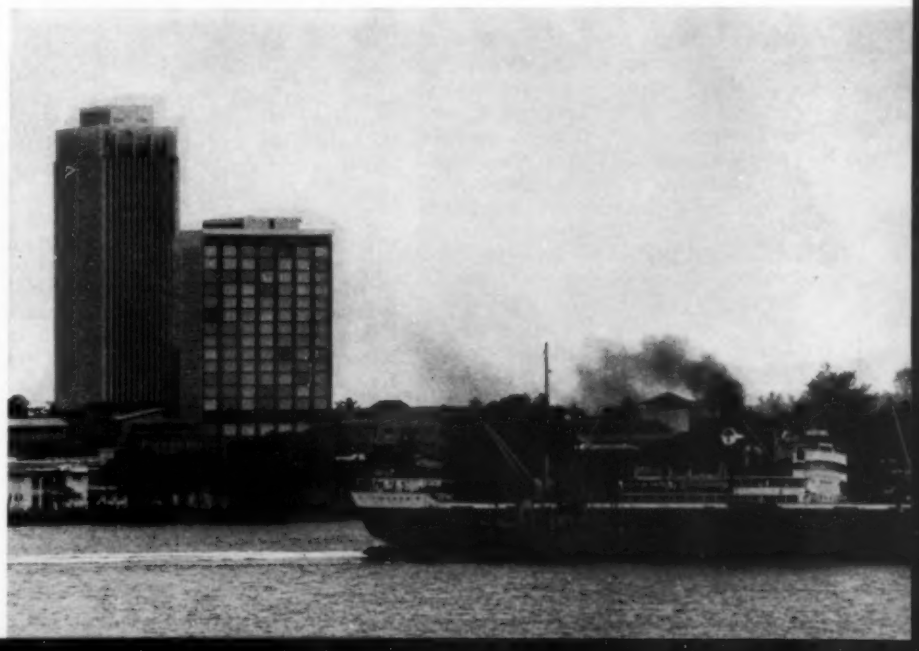
But the real boost to manufacturing this year has been the restrictions placed on imports, imposed to conserve foreign exchange. The added burden of a 7½% surcharge on all dutiable imports gave still more encouragement to import-substitution industries.

At the same time as the manufacturing sector was experiencing short-run near-boom conditions, the marketing sector has experienced a decline in sales and much smaller profits. Import restrictions have stopped some lines of merchandise, on which many traders depended, from entering the country. Prices on imported manufactures which are in short supply are up. Locally produced goods are often higher priced, internal transport costs have risen and disposable income has declined as farmers have received less for their crops than in the previous year.

As a consequence, retail profit margins have been narrowed and the volume of sales has fallen. With aggregate farm income less than last year, the short-run prospects for this sector of the economy are not promising. The construction industry is another soft spot in the economy and probably will not return to normal until the war has ended.

In the last few months, a covey of government decrees has had a profound impact on the business community, and foreign investors in particular. These decrees range from a complete revision of the 1958 Companies Act, which contains a section requiring foreign companies to incorporate in Nigeria if they wish to con-

RAPID INCREASE IN IMPORTS during latter part of 1968 brought shipments to pre-war levels in the early months of this year. This cargo ship is at the Port of Lagos. (World Bank photo)



tinue operations there, to one levying government fees on cargo handled at private piers. Two decrees place tighter controls and restrictions on the banking system and may hurt smaller banks, foreign and Nigerian-owned alike.

Other measures have imposed tighter restrictions on insurance companies, installment buying, and land holding. There is some apprehension that other decrees may follow.

Although many foreign businessmen would have preferred that these decrees not have been issued, they appear to be adjusting to the new situation reasonably well. Much of the criticism directed at the Government has centered on the lack of prior consultation with business interests affected, which could have avoided certain rough spots in the decrees. Unfortunately, at the time some of these regulations were promulgated, the government was not fully prepared to administer them and, in particular, to deal promptly with the many questions raised.

Nevertheless, businessmen must take these new regulations into account when considering investment and operations in Nigeria. As one Nigerian businessman wrote recently, "new legislation should be carefully thought out in order to insure that its application is neither a threat to industrial efficiency nor so cumbersome as to be farcical" or "have retrospective effect when such enactment will disrupt the financial management and forward planning of private enterprise."

Fiscal planning has been difficult because of the prolongation of the civil war. The budget prepared for the current fiscal year, which ended on Apr. 1, was drawn up on the assumption that the war would end by last fall. Regrettably it has not and the government has had to rely on increased deficit spending to cover shortfalls in revenue and a higher-than-anticipated level of government spending.

Increases in the public debt, still not a heavy burden because of conservative fiscal policies of past governments, have been placed in the banking system. The banks have been able to carry the debt easily. They are now more than 50% liquid, following a general slowdown in retailing, the loss of crop financing to the Central Bank, and an exchange control system which permits the banker to hold a customer's money on deposit while he waits several months to receive cover.

Next year's budget has yet to be announced, but another unbalanced budget is predicted. Heavy appropriations in support of the military effort and import restrictions which hold down customs revenues, a major source of government income, will be partially offset by increased royalties from oil. The government may seek to raise some taxes, not only to gain revenue but to keep a tight lid on minor inflationary pressures.

However, in view of the administrative difficulties raised with the introduction of the compulsory savings scheme last year and the tax riots in the Western State at the turn of this year, there are unlikely to be any drastic changes in the present tax burden, and any increases probably will be selective.

Nigeria continues to recognize the need for foreign investment, but greater emphasis is now being placed on development of Nigeria's own industry, either alone or in partnership with foreign companies. The experience of the civil war, however, has caused the government to reappraise the role of foreign companies in meeting the nation's long-term needs. Much of the force for this reappraisal comes from those Nigerians who believe that many foreign companies misjudged the internal situation of the last three years and were too abrupt in declining investment opportunities.

Some danger exists that Nigeria may overestimate the advantages to foreign investors here as against the advantages of investing elsewhere. Section X of the new Companies Decree, requiring incorporation in Nigeria of firms operating here in respect to foreign firms, and the way it was formulated without consulting those whom it would affect, has caused many investors to comment that they are looking very hard before they leap in with new investment capital.

There is also a feeling among foreign businessmen that Nigeria's understandable desire to see a rapid development of the talents of its own citizens may lead to demands to reduce the number of foreign managers and technicians too quickly. Too rapid Nigerianization does not appear realistic to them in the face of their difficulties in finding and training local personnel in adequate numbers.

Fortunately, there is also a growing appreciation in Nigeria of what could be done, as one senior government official said this year, to build "good and harmonious relationships between the public and private sectors" and a recognition "that government agencies are too slow and too slovenly to deal with matters requiring immediate attention." Such frankness is encouraging, for many foreign businessmen have found doing business in Nigeria unduly complicated. Hopefully, recognition of this situation will lead to improvement.

The Nigerian Government is frank in saying that it wants the business sector to demonstrate that it is sympathetic towards Nigeria's objectives and aspirations. This is a reasonable position. Equally reasonable from the view of the prospective investor risking his capital—for some in a new, untested market—is, of course, assurance of a reasonable stability and a continuing workable relationship with the government that will be conducive to the growth and profitability of his investment in Nigeria's future.

As wars go, the Nigerian civil war has not been outwardly disruptive to most of the country. Perhaps only an eighth of the country has been really touched by the war. The bridge over the Niger at Onitsha, the power plant in the Rivers State and the refinery at Port Harcourt are the most costly single examples of war damage.

Many bridges, roads, and public services have been temporarily restored. Less essential services are being partially restored and several companies are resuming operations in the former Eastern Region; but full restoration will have to await the end of the war.

At the same time, as this war lengthens, the task of reconstruction will grow in magnitude. Reconstruction will not only require the repair of damage directly caused by military operations, but damage to infrastructure throughout the country. Civilians and soldiers alike have suffered, and rehabilitation and resettlement will be complex and burdensome.

The reforging of trade patterns and human relationships—the chief casualties of the civil war—will be the most difficult task of reconstruction.

Plan for rebuilding

The Nigerian government has only begun to draft a plan for reconstruction, and development and details cannot be completed as long as the war continues. But the length of the war has altered government estimates and it is now proposing a $3¼ billion plan that will cover four years. The plan embraces development as well as reconstruction with the goal of a 5% GNP growth rate each year.

As now formulated, the Federal Government and the private sector will carry equal parts while the states will furnish a fifth of the required capital. Detailed plans and priorities are yet to be prepared, but the plan will encompass the needs of those new states which have important infrastructure requirements.

DESPITE RESTRICTIONS

Philippine GNP gains

Credit and import limitations failed to narrow nation's foreign trade gap

Despite the credit and import restricting measures progressively tightened by the Administration to close the trade gap, the Philippine economy posted an estimated 6.3% GNP growth rate in real terms for 1968.

The major contributors to the net domestic product, agriculture, manufacturing, and services improved on their 1967 performances, according to the semi-annual Economic Trends Report from the U.S. Embassy in Manila.

However, commerce, along with construction and the transportation-utilities group slowed down, reflecting the relatively tight money situation and fiscal restraint by the government.

Uncertainties persist about the government's monetary policies, although Administration leaders, including President Marcos, have categorically reiterated that the current Administration will not impose direct foreign exchange controls or resort to devaluation. Foreign investments and business activities were further restricted by the implementation on Feb. 3 of Republic Act 5455 which requires written authorization from the Board of Investments for ventures exceeding 30% foreign ownership.

Although the Administration's controls may have braked the excessive rise in imports, the widening trade gap will require the continuation of these measures well into 1969. In addition, the Government is seeking to reinforce its efforts by enlisting the cooperation of private business in voluntary import cutbacks and stretchouts of payments for imported goods.

Should shrink deficit

The combination of these measures should serve to shrink the trade deficit, perhaps to manageable proportions. Of course, prices of manufactures, particularly of the import-dependent industries, will rise and create pressure for wage increases, which together with the government's deficit financing and expected rise in infrastructure expenditures will maintain import demand at a high level.

The present favorable outlook for agricultural production is expected to offset some of the negative aspects. With the exception of sugar and abaca, exports of traditional products such as logs, base metals and coconut are expected to rise sufficiently to maintain a satisfactory growth rate for 1969.

Speedup in spending

As this is an election year, politics will play an important role in shaping the Philippine economy. A speedup in government and private spending will boost the economy in mid-year in preparation for the November elections. The just concluded $30 million long-term equipment credit agreement with Japan for the construction of the Philippine-Japanese Friendship Highway will provide some of the wherewithal for a stepped-up infrastructure program.

Despite the various credit and import restricting measures since mid-1967, imports continued to rise at an alarming rate. Preliminary Central Bank estimates indicate a trade deficit of about $270 million for 1968, compared to $250 million in 1967. The deficit may well soar to over $300 million when the final results are recorded.

As of the end of January, there was a record $495.85 million worth of outstanding letters of credit, a 129% increase over the previous record set in January 1967. In January alone new letters of credit were opened totaling $99.24 million. The Central Bank is at a loss to explain this development in view of the commercial banks' agreement generally to freeze opening new letters of credit particularly for motor vehicle parts, remnants and liquors. One explanation is that the rise could be caused by government purchases of heavy equipment, usually on a deferred payment plan, which are exempt from the limitations and special time deposits imposed by the Central Bank.

In the face of this threat to dwindling foreign exchange reserves, the Government is seeking to expand the effectiveness of its import curtailment program by enlisting the cooperation of private interests. Importers of completely knocked down vehicles, appliances, textiles, and liquors have been asked to cut back voluntarily as much as 50%. A stretch-out on payments for goods by heavily import-oriented industries such as petroleum has also been suggested to relieve the pressure on the Central Bank's reserves.

Moreover, a bill has been introduced in Congress to ban the importation of luxury goods. President Marcos gave qualified support to the measure in his State of the Nation Message to Congress.

The devices employed by the government show some promise of slowing down the excessive rate of import increases. Even so, the trade deficit for 1969 will remain substantial.

The economy is expected to slow down during the first half of 1969 as the various credit and import restricting measures which the Administration im-

SPEEDUP IN SPENDING on public development projects is expected in this Philippine election year. Here, imported equipment is at work on the Angat River Hydroelectric Project. (World Bank photo)

ECONOMIC GROWTH CREATES NEED to supply administrative facilities, such as this office at a major Philippine hydroelectric project financed in part by a World Bank loan. (World Bank photo)

posed during the latter part of 1968 to correct its balance of payments deficit take effect. However, the economy will receive a considerable mid-year boost from increased spending in connection with the national elections in November.

Sugar is the one dark spot in an otherwise generally bright agricultural picture. The Philippines succeeded in filling its 1968 basic export quota to the United States only by heavy borrowing from the crop that would normally be exported in 1969.

Expanding demand helped boost agricultural imports and the sale of U.S. commodities to the Philippines. Total fiscal 1968 U.S. agricultural exports to the Philippines amounted to $93.6 million, a 7.5% increase over the $87.1 million exported in fiscal 1967. The principal U.S. items were wheat ($39.5 million), cotton ($14.6 million), fats and oils ($6.1 million), and tobacco ($5.5 million). However, mounting foreign exchange problems and competition from other suppliers will limit the growth in imports from the United States during the current year. At the same time, U.S. agricultural imports from the Philippines increased 12.5%, amounting to $314.5 million, compared to $279.5 million in fiscal 1967.

Through executive action, the President raised tariff rates on certain commodities, particularly petroleum, which will help reduce the cash deficits.

Even so, in an election year it is difficult to see how the Administration will be able to avoid additional cash deficits which will be covered by borrowings and reduce the credit available to the private sector.

Philippine imports from the U.S. improved considerably from their relatively low levels during the first half of 1968. Philippine exports to the U.S. increased markedly compared to 1967, with a resulting shift in the trade balance from a slightly negative to a slightly positive position for the Philippines.

Restrictions on imports of non-essential and luxury goods and continuing competition from Japan and Western Europe will probably depress the U.S. percentage share of the Philippine market somewhat in 1969. The value of Philippine exports to the U.S. is expected to stay at approximately 1968 levels.

Growth rate rises

According to advance estimates of the National Economic Council, the Philippines output of goods and services in 1968 as measured at constant 1955 prices rose by 6.3% to a level of $4,511 million, as compared to the 1967 performance of 6% and $4,245 million. At current prices the 1968 GNP increased 10.6% to $7,207 million from $6,519 million in 1967. However, per capita GNP at constant 1955 prices improved only 2.8% from $123 to $126, reflecting the country's spiraling 3.5% annual population growth.

As mentioned above, the Board of Investments' rules and regulations to implement Republic Act 5455 went into effect on Feb. 3, 1969. Under the Act all new foreign investment and business activity in the Philippines exceeding 30% ownership in any one enterprise must have written authorization from the Board to operate. Together with the Investment Incentives Act, which it also administers, the Board now has almost complete control over new foreign capital or business ventures entering the Philippines.

In announcing his decision to let the bill lapse into law under Constitutional provisions, the President included the written opinion of the Attorney General that under the national treatment provisions of the Laurel-Langley Agreement, U.S. investments and business activity are exempted from the limitations of the Act until July 3, 1974, when the Laurel-Langley Agreement expires. Accordingly, the Board of Investments rules and regulations recognize these national treatment rights.

American firms, however, are required to comply with the other regulatory provisions pertaining to reports to the Board on foreign ownership and any changes therein. Moreover, expansion of existing U.S. companies into new lines of production or activity or the entrance of new U.S. enterprises is subject to satisfying the reciprocity requirement by providing evidence that Filipino activity in like fields is permitted in the home state of the U.S. entity.

Uncertainty regarding the treatment of U.S. investments under Republic Act 5455 after the expiration of the Laurel-Langley Agreement in 1974 has had a further inhibiting effect on U.S. investors.

The Investments Incentive Act, as implemented by the first investment priorities plan, has not generated the foreign interest expected by the government. During the first seven months of implementation, the foreign investment community adopted a wait-and-see attitude. To date, only one major pioneering joint venture involving U.S. capital, the Paper Industries Co. of the Philippines, has been registered by the Board of Investments. However, there are three pending applications from foreign firms in the pioneering areas of aluminum smelting and manufacture of industrial explosives.

Existing measures to restrict imports, particularly of non-essential and luxury goods will be continued, and perhaps reinforced, well into 1969. Imports of automotive equipment, electrical appliances, and textiles from the United States will be adversely affected as the restrictions take hold.

South Africa looks ahead

Economy entered year in high gear and buoyant businessmen expect greater gains

By BERNARD BLANKENHEIMER
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The South African economy moves along in 1969 in high gear and with high expectations. The prevailing mood was described by one observer, as "exuberant buoyancy"!

South Africans are earning more and spending more than at any time in their history. Security prices have risen spectacularly and similar increases have been seen in urban land values. In 1968, for example, the market value of shares listed on the Johannesburg Stock Exchange rose by more than $8 billion from the $16.7 billion figure at the end of 1967, an amount equivalent to two-thirds of the country's entire gross domestic product in that year.

The skylines of major cities, such as Durban, Cape Town, Johannesburg and even Pretoria, continue to change as multi-story commercial and residential housing developments take shape, some centrally air-conditioned, such as the 50 story $94 million Carlton Center Complex in Johannesburg.

Most economic indicators tell a story of rapid economic growth, though these same statistics cause some observers to have misgivings about the threat of continued inflation and an imbalance between growth of supply and demand.

Demand, measured by excess liquidity in the private sector, seems to be rising faster than inventory investment—a trend which may have potentially significant inflationary consequences. For the past 2½ years, in fact, inflation has been the bugaboo of government planning authorities, and anti-inflationary policies pursued by the Government have included restrictions on bank lending, consumer saving schemes and liberalized exchange and import controls—all aimed at siphoning off excess domestic liquidity.

Surprisingly, price rises have been kept within reasonable bounds. In 1965, overall prices increased by about 4% and since then, the annual rate of increase has been substantially slowed, with consumer prices rising at a more reasonable 2% during 1968. In real terms, allowing for price increases, a growth rate of about 5% in gross domestic product was estimated for 1968 and, according to the well regarded University of Stellenbosch economic forecasters, a growth rate of between 6 and 6½ % is expected in 1969.

The Government's strong balance-of-payments position poses an underlying domestic inflationary threat, and this in turn is linked to the Government's dilemma over international disposal of its ever growing stock of newly mined gold. Gold holdings in the past year more than doubled, and at the beginning of Feb. 1969, reserve bank holdings of gold stood at a record level of $1,291 million or 88.2% of total assets.

Trend should continue

Because the Government is committed to its anti-inflationary stance, the trend towards liberalized import and exchange controls is likely to be maintained—so that most observers expect the level of global imports into South Africa to increase sharply in 1969. This is an unhappy prospect for South African industrialists who keep pressing for tariff protection and have also come to rely on import controls as an additional though indirect, protective cover.

However, import restrictions are no longer the potent trade deterrent they were up to as recently as two years ago. Consequently 1969 should prove to be a period of more intense competition for both domestic and foreign suppliers. U.S. exporters thus will have to be much more aggressive if they are to retain, let alone to increase, their share of the market.

One trade promotional vehicle worth consideration by U.S. exporters and manufacturers is the privately-sponsored industrial trade show, which is fast becoming an important means of introducing new products to industrial buyers, or acquiring new local agents for the marketing of various product lines. Suppliers from many countries, in fact, are already utilizing the private industrial trade exhibit as a sales medium.

A list of forthcoming trade shows for 1969 was published in the Dec. 30 issue of INTERNATIONAL COMMERCE.

U.S. goods and services are highly regarded by South Africans but, in many product lines, the United States faces aggressive competition from countries such as Germany and Japan, which have made striking inroads into the South African market. In this connection, some 20 major trade groups visited South Africa last year, 11 from the United Kingdom alone. Other trade groups came from Japan, Canada, New Zealand, Australia, Korea, the Netherlands and Iran.

Industrialists complain that the Government's anti-inflationary policies of credit restrictions and import relaxations have hurt industry. A disquieting trend has been sagging growth rates in indus-

MAKING IMPRESSIVE GAINS, manufacturing now accounts for 21.7% of South Africa's gross domestic product. This is the General Motors South African assembly and manufacturing plant at Port Elizabeth.

trial output (the index measuring the physical volume of industrial output during the first eight months of 1968 showed a meager 3% rise). Nonetheless there were impressive signs of industry moving forward. Manufacturing now accounts for 21.7% of South Africa's gross domestic product, as opposed to 22.5% for mining and agriculture combined, but as yet, manufacturing is by no means as important as primary production as an earner of foreign exchange.

The eventual but inevitable decline of gold mining due to exhaustion of gold bearing reefs (some estimates indicate a one-third decline in output in 20 years time), has intensified efforts by Government planners to encourage industrialization through tariff protection and other means. Thus far, expansion in industry has been based on import substitution to meet domestic demand.

Pose many problems

Such efforts at self sufficiency, however, pose many problems for efficient resource allocation—not the least of which is the retarding influence of apartheid which prevents industry from fully utilizing the country's manpower. Indeed, the shortage of skilled (white) labor, and the insufficient immigrant inflow to make up this shortfall, has led organized industry to plead vigorously for Government relaxation of racial and labor laws so that ways and means can be found whereby the non-white population can also be afforded employment in skilled and technical fields.

Moreover, apart from production cost factors, domestic industry eventually must face limitations in demand unless non-whites can obtain skills and earn wages commensurate with these skills.

To outside observers, it seems axiomatic that the domestic market in the long run is only as large as the effective demand and consumptive power of the total population. At present the 12.7 million Africans constitute about 65% of South Africa's population, yet they account for less than 20% of the total purchasing power. Despite a low income per capita, total income of the black segment of the population is estimated to be about $1.7 billion, of which roughly two-thirds is concentrated in the urban African townships.

According to the Bantu Wage and Productivity Association over half a million blacks are employed in manufacturing—an increase of 55% in the past ten years. The average black worker employed in industry in 1967 received an average wage of only $62 per month (the average for his industrial white counterpart was $350). Even so, in 1957 the average black was paid $36 per month, so that in money terms, his wages have increased 70% over the past ten years. According to official statistics, the cost of living in this period increased by 27%.

Of course, available statistics and market research relating to the non-white population are still sketchy and on the whole none too reliable. Even with this caveat, however, there seems to have been a substantial improvement in overall African purchasing power.

One privately sponsored market research study published in 1968 entitled "An African Day" investigated households in the vast segregated townships to the southwest of Johannesburg collectively known as Soweto. An estimated 600,000 Africans live here but work within the greater Johannesburg area, constituting in the main a detribalized and more or less urbanized community.

The report, based on a sampling of 500 homes, showed that 57% of homes visited had a sewing machine, 49% a radio, 5% a refrigerator and 2% a vacuum cleaner or floor polisher. By and large, luxury goods (even on an installment purchase basis) are still beyond the capacity of the urban black family whose meager income goes mainly for food, clothing and rent.

South Africa, for all its industrial development, is still heavily dependent on imports, the value of which in recent years has averaged about 17% to 18% of the country's gross domestic product. In 1968, South African imports accounted for $2.7 billion, a figure which places her among the world's leading markets (15th in value of global 1967 imports).

A large proportion of imports represent the needs of a developing industrial economy: capital equipment and diversified industrial raw materials. But the range of manufactured imports in both durable and non-durable consumer goods is also becoming increasingly significant. Overall, all manufactures account for about 80% of South African imports.

On the basis of ten months South African trade data (projected for full 1968 calendar year) it would appear that U.S. exports made some gains in the South African market and this improved position should continue in 1969.

MINING REMAINS THE PRIME FOREIGN EXCHANGE EARNER for South Africa, and high quality U.S. mine machinery commands a good market. This is the Iscor Corp.'s iron ore mine at Thabazimbi.

U.S. market share

In previous years, the U.S. share had been 17.6% (1966) and 16.8% (1967). Projections for full year 1969, using a preliminary twelve months total import figure, show the U.S. share at over 17%.

During this period the share of the number one supplier, the United Kingdom, also tended to decline somewhat from 28.3% in 1965 to 26.6% in 1968 (projected total)—this, despite traditional ties and selected tariff preferences. While the respective shares of the United States and the United Kingdom declined, corresponding gains were registered by other suppliers making sharper inroads into the South African market.

The level of American exports to South Africa is bolstered significantly by the continued demand of the 275 American companies operating in South Africa for com-

ponents and industrial raw materials. The known preferences on the part of South African industrialists for high quality American capital goods also is a buoyant factor in sustaining a high level of U.S. exports. Consequently, for capital goods American suppliers can hold their own in the South African market, and opportunities to augment sales exist as South African industrialization proceeds.

In contrast to capital goods suppliers, it would appear that American suppliers of consumer products have been less generally aware of the dimensions of the South African market for their product; perhaps this reflects the fact that licensing restrictions until very recent years seriously obstructed imports of these categories of goods. However, as pointed out previously, these are no longer significant trade deterrents.

In general, the growing affluence of the South African consumer and his propensity for an increasingly diversified range of consumer goods would appear to warrant more specialized attention to this market on the part of American exporters. A random selection of general goods categories considered to have good growth possibilities is discussed below.

Domestic electric appliances

It is estimated that some $98 million worth of electric appliances are sold annually in South Africa, exclusive of radios. Reasons are the availability of cheap electricity, a relatively high standard of living, increasing costliness of domestic servants. According to the Domestic Appliance Association of South Africa, at the end of 1967 it was estimated that of all white South African homes, 92% owned refrigerators, 63% washing machines, 55% floor polishers, 26% food mixers, 98% radios, 75% record players, 79% sewing machines, 46% vacuum cleaners, 9% deep freezers. Modern dish washers, too, are beginning to catch on.

Features of retail appliance selling are strikingly similar to the high pressure techniques in America, such as discount merchandising, installment purchase arrangements and extensive press and radio advertising. Exporters should keep in mind that generally electric current in South Africa is alternating, 50-cycle, and 220 volts. This need not be a bar against exports from the United States. Indeed, many imported appliances sold in South Africa come equipped with special voltage adapters which enhance their sales appeal.

A field still in its infancy in South Africa is air conditioning. Industrial and commercial applications are catching on; already, some new factories and large scale hotel and office building projects feature central air conditioning—two good examples being the $94 million Carlton Center project in Johannesburg and the new 21-story office headquarters leased to the Ford Motor Company in Port Elizabeth.

Room air conditioners for home and office are becoming especially popular. At present about 80% of the room air conditioners sold in South Africa are imported but several companies are beginning to mass-produce units. Chrysler, for example, at its new automobile assembly plant in Pretoria, is making one popular model which both cools and heats. Reverse cycle units of this type should have growing popularity in view of the sharp changes in climate experienced in many parts of South Africa. In 1969 some 15,000 to 20,000 units valued at $7 million are expected to be sold and sales have been up 25% on an annual basis.

One of the pioneer local firms (a franchised dealer for a large U.S. air conditioning company) estimates "the turnover of the air conditioning industry as worth about $42 million a year—and the size of the market is growing at about 20% a year."

Domestic sales of radio and hi-fi equipment in 1968 are estimated at $57 million, most of which is accounted for by record players, home and car radios. The absence of television has stimulated sales of sound equipment (which doubled in 1968) but most observers believe that TV cannot be long postponed.

The introduction of TV basically has been a political issue, and up to now, the Government has steadfastly rejected the idea. However, business circles believe that the Government will modify its views if dual language program material becomes more generally available; they expect this to happen in two to three years.

Meanwhile, South Africa is already utilizing closed circuit TV in education as well as in industry to an increasing extent.

Growth of business activity has led to steady demand for office machinery. Some 18,000 adding and calculating machines were sold last year. More complex units such as electronic calculators, also are coming into greater vogue despite their higher cost.

Recreational equipment

Electronic computers in an increasingly sophisticated range are being utilized by the large banks and corporations, and the market for this item hardly seems dented.

An out-of-doors climate and increasing leisure time for both adults and teenagers, coupled with the traditional sports consciousness of the country, all contribute to the growing dimensions of this market.

Athletics form an important part of every public and private schools' curriculum and both spectator and participant sporting events are highly popular—the City of Johannesburg alone boasts 19 golf courses and it is commonplace to find outdoor tennis courts as part of the properties of better class private homes.

There are about 30,000 private swimming pools in South Africa and one out of ten newly constructed homes has a swimming pool added.

In addition to traditional outdoor sports, boating is becoming more popular and appealing to the middle-income enthusiasts. There are no inland waterways of significance but a long coast line provides much scope for water sports of all kinds.

The South African public is increasingly travel-minded. It is estimated that there are now over 50,000 automobile trailers (or as they are called in South Africa "caravans"), and the number is estimated to be increasing by 5,000 a year.

Even aviation provides opportunities for sporting enthusiasts, although most of the private planes now in use are primarily for business travel. South Africa is said to have 2,400 private pilots and some 1,500 private planes in use. Sales average 250 planes a year, ranging in price from $14,000 to $56,000 or more.

South Africa has one of the highest per capita car ownership ratios (based on white population), but car leasing and car rental arrangements also are becoming more popular. It is interesting in this connection, that during the past year, two of the leading U.S. companies in this field, Hertz and Avis, have entered into arrangements with local South African car rental organizations.

Growth market despite problems

Not unexpectedly, economic growth in South Africa has been uneven in some sectors. Urban public transportation facilities have lagged behind needs, as has public housing and educational and general social welfare facilties.

The geographic location of the country at the bottom of the second largest continent in the world has influenced a feeling of enforced isolation on the part of many of its citizens—but new improvements in communications and transportation are changing that. Telephone connections between South Africa and Europe are now vastly improved through a new $42 million submarine cable linking Johannesburg and Lisbon which became operative in 1969.

As developments occur and the South African economy continues to experience growth and diversification, the market for imported goods and services of all kinds should similarly expand. With aggressive salesmanship, the U.S. exporter should share in this expansion.

No letdown for Taiwan

Record economic growth rates create new openings for increased U.S. business

The Republic of China's economy is expected to continue its high rate of expansion and with this expansion, the outlook for increased sales of U.S. products in 1969 remains very good, provided the United States can maintain its competitive position with respect to prices, quality and terms. This is the verdict of the semi-annual Economic Trends Report from the U.S. Embassy in Taipei.

The fairly rapid shift in the structure of Taiwan's economy towards increased industrialization is giving rise to a number of industries requiring medium and heavy capital equipment and modern technology such as petrochemicals, shipbuilding, metal working, automobile parts, precision instruments, electronic equipment, machinery, and tools.

The pace of Taiwan's expansion also points to increased sales opportunities for equipment and raw materials in the food processing and packing industries, plastics, textiles, electric appliances, electronic components, pulp and plywood, light machinery and electric power industries.

Further, with the decision to accelerate the expansion of power, transportation, communications, water resources, sanitation and public health projects, and educational facilities, a sharp increase can be expected in the import of construction equipment, cargo handling, transportation equipment and related goods.

Expansion of factories on Taiwan with U.S. investment capital has played, and will continue to play, an important role in enlarging U.S. trade through the import of machinery, equipment and raw materials from the U.S. for local processing, and the re-export of some of the finished products to the United States.

Among specific projects which will call for increased imports are the power generating units planned for the Tachien hydropower and Talin thermal power development projects; scientific and audio-visual equipment to support the nation's accelerated efforts in the field of science; laboratory equipment needed for the government's expanded commodity (especially food and drug) inspection system; and machinery and equipment for a $13 million ethylene plant which the Chinese Petroleum Corp. plans to construct in the natural gas producing area near Hsinchu.

There is also a market for small and medium-sized computers, which gradually will develop into a demand for larger-sized computers. The government has formed a committee to work out plans for the establishment of a computer center to process data on government budget operations, accounting, statistics, taxation, and related matters. The Ministry of Economic Affairs is planning to equip all ten of the government enterprises under its supervision with computers to improve the efficiency of their operations. The Formosa Plastics Corp. and five affiliated companies are also planning to computerize their operations.

In the area of agriculture, mechanization offers opportunities to U.S. suppliers. Demand exists for mechanical sprayers, rice dryers, and power tillers. Programs to develop animal husbandry and a dairy industry will eventually create new demands for meat packing and related equipment. Expansion of the coastal and deep sea commercial fishing fleets is creating new requirements for fish finders, radio equipment and the like.

Enlarged export opportunities as well as rising standards of living have encouraged rapid expansion of a food processing industry. This, in turn, is creating new market opportunities for canning and freezing equipment.

The extension in 1965 of a $150 million line of Japanese credit has developed a built-in market for the Japanese supplier, and the chances that credits from this source are likely to be increased means that U.S. competitors must work even harder.

To generate interest in U.S. industrial equipment, a commercial exhibit similar to the successful 1967 U.S. exhibit of machinery is under consideration. In addition, exports of American machinery and equipment to Taiwan can be financed from the $2.5 million remaining out of a $5 million U.S. Export-Import Bank credit made available to two Chinese banks for sub-loans to industrial enterprises.

Depends on imports

Taiwan, poor in natural resources, depends heavily on imports as well as on exports to maintain its high rate of development. In 1968, imports rose to the equivalent of 23% of the island's gross domestic product; by value they totaled $976 million, a gain of 15% over the previous year.

Principal categories on Taiwan's shopping list were machinery, transportation equipment, electrical supplies and equipment, raw cotton and man-made fibers, steel products, wheat and corn, timber, soy beans and crude oil, with major increases occurring in electrical supplies (54%), wheat and corn (114%), transportation equipment (22%), and raw cotton and man-made fibers (25%).

Japan, followed by the United States and West Germany, continued to be Taiwan's major supplier.

In 1968, the U.S. share of the market declined to 31% of the total while that for Japan rose to 41%. U.S. exports to Taiwan consist principally of farm products, electrical machinery and supplies, other machinery, transportation equipment, raw cotton and other textile raw materials.

High rates of interest on Taiwan (more than 14% for secured bank loans) make

Tax reform begins

To achieve greater fiscal flexibility a major overhaul of Taiwan's tax structure and administration began in earnest in 1968 and, on Dec. 30, amendments revising central government regulations on business and personal income taxes were adopted. Passage of these amendments was the first of a series of tax law revisions now being worked out by the government's Tax Reform Commission. Under study for reform in the near future are: (a) the tax on increments in land value which, among other proposals, is to be broadened to include non-urban land, and (b) the inheritance tax.

Reform of the indirect tax structure of the country will be considered at a later date, at which time the Commission hopes to replace the intricate multi-layered system of indirect taxes with a simple but effective value-added form of taxation. At the moment, indirect taxes account for the bulk of government budgetary revenues.

for high costs of financing imports which, in turn, places the procurement of imports from more distant sources such as the United States or Europe at a greater disadvantage than from sources nearer at hand.

In the first half of 1968, the cost of financing imports was somewhat lowered by the abolition of a requirement that Taiwan importers must buy 3⅛ cents of low-interest, 12-year Patriotic Bonds for every $1.00 of imports. Prior to the abolition of that requirement, importers had no choice but to treat a substantial portion of their costs (about 3.13% of the foreign exchange cost of the imported product) as a form of import surcharge to be included in the price passed to the consumer.

Later in the year, however, the decline in the cost of financing imports was more than offset by increases in other import charges. The temporary surtax on import charges was raised from 20 to 30% on all non-reexport commodities with the exception of capital equipment, wheat, soybeans, corn, medical, optical, surgical and dental equipment, where the rate was moved to 26%. Raw materials imported for processing into export products continue to bear a temporary 20% surtax which is refundable, along with import duties and the commodity tax, when the final product is exported.

Control over the import of corn and soybean products was lifted in 1968. Also, regulations limiting importation to North American sources of supply were extended to nine categories of articles, including certain types of pipes and fittings, electric motors (1-10 horsepower), internal combustion engines, radial compressor units, welding electrodes, ball-bearings and other forms of hardware.

Chinese planners may well have in mind a long-range objective of further reducing deposit requirements and modifying other measures which restrict imports. However, given Taiwan's development policies, its search for increased public revenues, and its fears that protective measures are likely to be introduced elsewhere in the world, it appears unlikely that major liberalization decisions will take place in the immediate future.

Momentum carries over

The real rate of growth in Taiwan's 1968 Gross National Product—10.3%—not only remained one of the highest in the region, but provided a momentum which carried over into the current year.

Encouraged by economic prosperity, medium and long-term investments have mushroomed, particularly in the industrial sector. Industrial production rose by almost 19% as compared with a 17.5% increase in 1967. Most significant has been the large-scale expansion of industries producing for export, and the establishment of an increasingly diversified intermediate-products industry.

As a magnet for overseas investors, Taiwan in 1968 outstripped all of its previous records, and the attractive investment climate is expected to encourage high levels of overseas and domestic capital expenditures in the current year.

TAIWAN'S ELECTRIC POWER INDUSTRIES are one of the nation's leading importers, and should continue to buy heavily from abroad. Below, construction of the Shih-Men multi-purpose dam near Taipei.

The domestic market remained limited by the size of Taiwan's population, but improvements in purchasing power have been significant. For four consecutive years, annual per capita real income, one of the highest in the region, has been rising at an accelerated rate; up by an estimated 7.3% in 1968, it reached the equivalent of $237 per person. A distinct trend towards the consumption of more durable goods (electrical equipment, motorbikes, improved housing, radios, television, and so forth) was indicated in the expenditure pattern of the local population.

Exports, the major catalyst behind Taiwan's rapid growth in 1968, expanded at an astonishing rate of 25%—the highest rate of increase achieved since the sugar boom of 1964. Nearly three-fourths of this increase was due to new markets in the United States. There was also an upswing in tourist income to a new high of almost $65 million. China's international reserves at the end of the year were sufficient to support more than five months of imports at the nation's current high rate of growth.

Since Taiwan's future growth depends in large measure on its ability to export, considerably more attention is now being directed to a number of problem areas including research and development, technical innovation, product design, marketing techniques, the training of better technical and managerial talent, and the acquisition of additional capital needed to expand major export industries and to improve their competitive position.

However, despite Taiwan's progress in new export products and new markets, there has been a growing awareness that too much reliance has been placed on a small number of major products, particularly processed agricultural products.

Moreover, there is heightened concern over the possibility of restrictions in certain key markets—particularly the United States—and anxiety over increased competition from other areas. Recent experience has impressed the government with the need to give greater attention both to the diversification of its export markets and its export commodities, and has stimulated efforts to develop new products for sale abroad.

On Jan. 1 the Foreign Exchange and Trade Commission was dissolved and its trade functions were consolidated with those of the Ministry of Economic Affairs. The concentration of government trade expansion efforts in one agency has already motivated other organization developments which promise stronger efforts in export trade promotion to ensure continued high rates of growth.

The outlook for the year ahead prom-

ises a continued high rate of growth—though several developments may converge to moderate last year's exceptional pace. Signs last year of a budding inflationary situation will warrant continued surveillance, possibly involving further adjustments in monetary and fiscal policy. In addition, an increased pace of investment in infrastructure is becoming more and more a condition for the maintenance of a high-growth economy.

Furthermore, as outlined in the Fifth Four Year Plan (1969-72), future gains will increasingly be based on the establishment of more sophisticated and heavier industries. Many of the easier projects are a thing of the past.

Added to these potential drags on the growth rate is the fact that a high rate of export, upon which much of the present pace of development depends, will require greater capital outlay, employment of more advanced technology, an improved caliber of managerial skills, and a more highly trained labor force.

The capital requirements per unit of output associated with the foregoing developments will be larger than in the past, and the period between investment and the return on investment will tend to lengthen.

Significant gains

Output in all major manufacturing industries was at significantly higher levels in 1968, with the exception of certain processed foodstuffs (canned mushrooms and pineapples, monosodium glutamate, peanut oil and cake) where production suffered from resistance in international markets or from shortfalls in crop output.

Output of electrical machinery, appliances and supplies were nearly double the level of 1967 and showed the most marked rate of expansion among all manufacturing industries. The production of wire, cable, fluorescent lamps, refrigerators and television sets, stimulated not only by export demand but also by the rapid growth of domestic markets, showed remarkable gains.

The chemical industry was enlarged with the establishment of additional fertilizer and plastic plants. The boom in construction led to expansion of cement, glass, and other building materials. Despite sharply increased production, cement exports not only had to be cut back from original plans, but emergency imports were required to help hold the line on price.

Transportation and communications continue to be among the weaker links, particularly roads, harbor facilities, railways, and telephone facilities. These activities are to receive increased attention under the Fifth Four Year Plan and should, therefore, show an increased pace of improvement in the current year.

By the end of 1968, the unskilled labor supply for industrial development was generally ample, but the shortage of skilled labor and managerial talent was even more noteworthy than before. There also was evidence of rising rates of turnover in some industries (most notably in construction but also in textiles and electronics). The rising turnover rate probably was associated principally with shortages of particular skills and the slow and uneven response of wages to last year's rise in living costs. Wages have been rising rather notably in the private sector but are still at a level which provides Taiwan with a decided competitive advantage in international markets.

By the end of the year, money was tight and was expected to continue that way, at least through the first quarter of 1969. Money supply in 1968 increased by 11% (slighty above the real rate of growth in GNP) as compared with a 27% increase the year before. On the expansionary side, loans to private enterprises were the single most important factor with the largest amounts going to construction and manufacturing. Taiwan's long record of price stability was shaken in 1968. Not since 1960 had the official consumer price index showed a rate of increase similar to that recorded in the opening eight months of last year, but, during the closing months pressures on consumer prices abated, leaving the rise for the year at 6.3%.

Under the tax overhaul, corporations, cooperatives, partnerships, and individual enterprises continue to be subject to a business income tax ranging from 8% on net incomes between $500 and $1,250, up to 25% on net incomes of $6,250 and more. An exception, as under the old regulation, are those enterprises defined as productive in the "Statute for the Encouragement of Investment" where the top tax rate is held at 18% of net income.

Revision of the business income tax regulations resulted in almost no change in the tax burden applicable to the taxable incomes of business enterprises; a major feature of the revision was the introduction of a withholding tax of 10% levied on certain types of retained profits, part or all of which can be used for tax credits under a number of different situations.

Diversification into exporting an increasingly wide range of sophisticated semi-finished and finished products not only is occurring, but Taiwan-made goods are also finding their way into new geographic areas. The Republic of China exported to over 110 countries in 1968 although major markets remained the United States (32% of 1968 exports), Japan (18%), Hong Kong (7%), West Germany (6%), and South Vietnam (5%).

Particularly striking were new inroads into U.S. markets. Preliminary data based primarily on foreign exchange settlement data show an astonishing 83% gain in exports to the United States in 1968, a rate of gain far in excess of any year since 1962.

The result was a sharp reduction of Taiwan's usual trade deficit with the United States, since Taiwan's imports from the U.S. increased last year by less than one-half of one percent.

Under the Statute for Investment by Foreign Nationals and Overseas Chinese, 338 investment projects valued at $105 million were approved in 1968. This amount was nearly 60% over the previous record high of $66 million approved in 1967, and illustrates in a most vivid way the attractive investment potential of Taiwan.

Of special significance was the fact that, despite U.S. direct foreign investment restrictions, the value of approved U.S.-originated projects in 1968 rose by more than 27% to a total of $34.5 million. More than half of the 20 proposed U.S. projects were in the field of electronics, including four projects involving $13 million for the expansion of projects already in operation on Taiwan.

One-third from U.S.

A breakdown by countries of origin shows that about one-third the value of all foreign investment proposals in 1968 were U.S. in origin, one-quarter were Japanese, and about 38% were from Overseas Chinese. Investment proposals originating from Hong Kong remained at a high level throughout the year and, by value, accounted for nearly one-fifth of the total 1968 approvals. Most of the Overseas Chinese project proposals tend to be small in scale and weighted in favor of such service industries as hotels and entertainment.

To facilitate the inflow of foreign investment capital, the Overseas Chinese and Foreign Investment Commission of the Ministry of Economic Affairs was reorganized last June with the objective of reducing the complicated and time-consuming investment procedures which previously had tended to discourage foreign investor interest. Instead of many months of delay, as had sometimes been the case before reorganization, the Commission now promises to review, approve or disapprove a foreign investment proposal within two weeks of its submission.

Indonesia relaxes import restrictions

Series of moves aims to boost shipments of essential items

The Indonesian Government has taken a series of moves to provide more incentives for the import of essential goods and to remove certain import restrictions.

A Jan. 17 decree provides that importers of a wide range of essential goods may postpone for two months the payment of duties, surcharges, and other import levies. These goods include foodstuffs; materials for the textile industry; chemicals and other basic materials for industry; machinery and spare parts for agriculture, industry, or health services; goods needed for infrastructure (public works, power and communications); transportation equipment and spare parts (except for sedans, station wagons and built-up motorcycles); building materials, including cement; and medicines, including vitamins.

To qualify for the two-month postponement, an importer must provide a bank guaranty for the amount due and pay an administrative fee of 3% per month.

Revokes some bans

The Indonesian Government has also revoked its ban on certain imports competitive with domestic industries or of a luxurious nature. On Dec. 12 the ban of Sept. 6 on bicycle tire imports (size 28 x 1½) was revoked; and on Feb. 17 the ban was lifted on the import of automobiles valued at over $2,000 f.o.b., television sets with a 21-inch or larger screen, and deluxe radio-record player consoles. A Trade Department announcement indicated that the ban on these luxury items had been ineffective, since they could be purchased and imported with funds held in banks abroad. While they now may be imported with Indonesia's own foreign exchange earnings, they will be subject to high tariffs and other import charges.

The only items remaining on the prohibited list, therefore, appear to be tobacco products ready for direct consumption; cloth with batik motif; and certain types of automobile tires competitive with domestic industry.

Other recent changes principally affect Indonesian travelers. A decree of Jan. 17 exempted from the payment of import duty passenger goods (souvenirs and other non-commercial items carried by passengers from abroad) valued up to $25 for each passenger, with a maximum of $100 per family.

The Indonesian Government has also abolished the restriction on the amount of foreign currency which may be taken out of Indonesia by persons going abroad. The limit per adult had been set at $500 on Aug. 22, 1967. Also, no approval is needed from the Bureau of Foreign Exchange Transactions. This change reflects increased confidence in the stability of the currency and the appreciation in the rupiah rates in free foreign exchange markets.

Specialized lines expected to play bigger role in U.S. textile sales to S. Africa

The outlook for U.S. textile exports to the Republic of South Africa is essentially unchanged from that of the past several years, but with specialized lines playing an increased sales role. According to a recent report received from the U.S. Embassy in Pretoria, U.S. exports of yarns and textiles to South Africa have averaged some $31 million annually since 1965, or a nearly constant market share of approximately 18%.

South Africa's program of promoting the domestic textile industry through tariff protection and direct controls can be expected to limit the growth of future imports. As a result of this program, South Africa is now nearly self-sufficient in basic yarns and fabrics made from natural fibres, and has expanded production of synthetic yarns and fabrics. Best prospects for U.S. textile export growth consequently are mainly in specialized fabric lines. In clothing, where South African imports have exhibited a steady rise and are predicted to rise even further, there appears to be a long-term expanding market for U.S. exporters.

With more effort, U.S. exporters could garner a larger share of the South African textile machinery market, in the opinion of one of the largest importers of American textile equipment there. A prerequisite for greater market penetration is the ability to provide financing terms comparable to European competitors—five years or longer for repayment, and little or no down payment. The most promising sales prospects are in double knitting, single jersey knitting, and sweater knitting machinery.

New Abu Dhabi Chamber welcomes U.S. firms' interest

Director requests descriptive material on American products

Abu Dhabi, the largest of the seven Trucial States located on the Arabian Peninsula, recently opened a Chamber of Commerce which is now offering almost the entire range of commercial services, including a small commercial library, to both local and foreign businessmen.

The Director of the Chamber, Hamad Ibrahim Al-Sayah, has indicated a strong desire to talk to U.S. businessmen on the advantages of participating in Abu Dhabi's growth, which has been considerable in the last few years.

The sheikdom is rich in oil—revenues were approximately $170 million in 1968 and should reach $200 million in 1969.

Development has been allocated $620 million under the current Five Year Plan (1968-72) and projects are under way throughout the entire economy, including the construction of roads, bridges, an airport, a harbor, and housing and building projects of all sorts. The government is also expanding its educational system, the telecommunications network and both the urban and rural water and power supplies.

Numerous opportunities for investment and sales, particularly of construction equipment and construction and engineering services, are available in Abu Dhabi and the doors are wide open to commerce. Foreign firms are especially welcome when they choose an Abu Dhabian as an agent or partner in their operations.

The new Chamber of Commerce director would like to receive as many U.S. commercial and industrial registers, journals, and company catalogues and descriptive brochures as possible. Correspondence (English acceptable) should be addresed to: I. Al-Sayah, Director, Abu Dhabi Chamber of Commerce and Industry, P.O. Box 662, Abu Dhabi, Trucial States. The Chamber's telephone number is 2880/81; the cable address is "TIJARA."

U.S. licensees sought to produce goods of five Western European companies

Manufacturers look for production, distribution of their items which include fire fighting equipment and liquid phase heaters

Manufacturers in West Germany, Belgium and Switzerland are seeking U.S. licensees to produce and distribute their products in the United States.

Products offered are fire fighting equipment, shoring jacks, construction technique, air-conditioning, heating units, and liquid phase heaters.

For additional information and the name and address of the firm, **write** the Office of International Investment, code 874, Bureau of International Commerce, Department of Commerce, Washington, D.C., 20230, referring to the appropriate File number assigned each opportunity listed below.

• A Swiss manufacturer is seeking a U.S. licensee to produce its special water container for fire fighting.

This water container is designed for easy movement by helicopter to fires in generally inaccessible places. It is shaped like a plane's fuselage with vertical tail piece and horizontal balancing fins. It measures 6 ft. x 2 ft. x 2 ft., and has a 90-gallon capacity.

The container can be filled in five seconds by immersion through two holes in the bottom, and can be emptied in 30 seconds.

The Swiss company will consider cross-licensing arrangements in the field of fire fighting and detection equipment. **File 1736.**

• A West German design and construction firm is seeking a U.S. licensee for its building system.

The basic structural unit of this system's framework is a six-point "corner star". Normally, this "star" consists of two vertical by-symmetrical vertical arms and four horizontal arms with projecting ledges to hold the floor units. The dimensions of these units may be varied to suit particular constructional requirements. The framework is usually in reinforced precast concrete, but other materials—steel, light allow or plastics—are also suitable.

The chief advantage claimed for the system is the separation of jointing from the points of convergence of vertical and horizontal load-bearing members. Jointing is at the position of minimum stress, while maximum stress occurs at the point of maximum structural strength, at the prefabricated intersections. **File 1737.**

• A West German company is seeking a U.S. licensee to produce its air-conditioning and heating units.

The room air-conditioners (heat pump system) are for heating and cooling operations with a cooling capacity of about 5500 BTU and a heating capacity of over 6000 BTU. The electric residential space heaters (storage system) are available in metal or ceramic tile panels. The firm also offers large industrial and commercial space heaters. **File 1738.**

• A West German engineering firm which specializes in the development of new products and processes in the machinery manufacturing, construction and automotive industries is seeking a U.S. licensee to produce its scaffolding and shoring jack.

This jack is a self-locking device which operates without grease, cock-wheel, threads, pins, pinholes or wedges. It is used with any standard size tubes for quick bracing and leveling of scaffoldings without burring the tubes. The jack is patented in several countries including the U.S. **File 1739.**

• A Belgian company is offering its liquid phase heaters to a U.S. licensee.

The heaters are capable of using a wide range of fluids depending upon the requirements of the specific application in the chemical, textile, metal treating, timber, paper, and other industries.

These are once through tubular heaters designed specifically to obtain a high velocity of flow and allow a high heat transfer rate. No pressure exists in the circuits other than that necessary to circulate the fluid. This results in simple, low cost construction, especially when non-ferrous alloys must be used.

The company offers a choice of burners, either on-off, high-low or modulating for all fuel oils, light or heavy, and gas burners for all commercial gases. **File 1740.**

Kuwait seeks participation in agricultural project

The Kuwait Government seeks U.S. collaboration in a proposed agricultural development scheme either through joint venture participation or contract arrangement.

Initial plans call for the growing of fruits, vegetables, and possibly legumes and feed grains. Approximately 14,800 acres of land at Sulibiya, on the edge of Kuwait City, have been allotted for the project. Soil tests have been conducted and an irrigation system has also been designed.

Technical and managerial skills to implement the scheme are sought by the Kuwait Government. The role of the U.S. firm would be to develop and operate the agricultural area.

Write: Ministry of Public Works, Kuwait. P-69516.

Germany seeks collaboration for industrial development

The town of Twistringen has earmarked 58 acres of land for industrial development. The town authorities are willing to finance costs of connecting the land with central water-supply and sewage systems, presently under construction, through a long term interest-free loan. Investors may obtain 40% of their investments in production facilities in the form of long-term loans at an interest rate of 3.5% per annum from the State of Niedersachsen. Power supply is adequate and a long distance natural gas pipeline is located nearby.

Firms desiring additional details concerning this opportunity should **write:** Information Office, Community of Twistringen, Germany.* P-69525.

U.K.'s office in U.S.

A listing of 110 investment offices maintained in the United States by 58 foreign nations, which appeared in the Feb. 24 issue of International Commerce, included the British Industrial Development Office in New York. That office is now located at Suite 1250, 633 Third Ave., New York, N.Y. 10017 (Area code 212-867-9650).

U.S. rights to wide range of items sought by seven British producers

Want arrangements to manufacture measuring, testing instruments, hydraulic machinery, temperature sensitive materials, other products

Seven British companies are seeking licensing arrangements with U.S. firms to manufacture a wide range of products.

• A British producer of scientific measuring instruments seeks licenses to manufacture additional equipment in this field. The company is particularly interested in areas of temperature measurement, scanning and control instruments for laboratory and industrial use; oil testing instruments for laboratory and plant application; and metal analysis instruments.

The firm currently produces scientific measuring instruments, oil testing instruments, gas analysis instruments for the metals industry, thermocouple reference chambers and thermo electric-modules.

Write: De La Rue Frigistor Ltd., Canal Estate, Station Rd, Langley, Buckinghamshire, England. WTD. P-69513.

• A license to manufacture and market temperature sensitive devices including chemically coated labels is sought by a British firm.

The company distributes dehumidifaction equipment, marking tape, high and low voltage cable. It manufactures fault location equipment. The firm is also interested in obtaining technical know-how involved in jointing high and low voltage cable in aluminum.

Write: Bowden Bros. Ltd., 536 Grand Buildings, Trafalgar Square, London W.C. 2, England. WTD. P-69514.

• Licenses to manufacture hydraulic cylinders and stainless steel tubular hospital equipment are sought by a British producer of steel tubing, fabrications for the aerospace, and nuclear industries and golf shafts. It employs over 3,200 and is affiliated with a large British holding company whose numerous subsidiaries are engaged in the manufacture of metal tubing, aluminum foil, paints, machinery and electrical products.

Write: Accles and Pollock Ltd., Oldbury, Warley, Worcestershire, England. WTD.* P-69515.

• Manufacturing licenses are sought in the following fields by a British manufacturer: effluent treatment plant, automated components and material handling equipment; bottle washing and filling machinery; general filling and packaging equipment; filtration equipment as applied to machine tool coolants; food processing equipment, and small to medium size industrial equipment.

The British firm currently produces industrial washing machines, automated component handling equipment, coolant clarification systems and special purpose machines.

Write: Blakell Industrial Plant Ltd., The Square, Milborne St. Andrew, Nr. Blandford, Dorset, England WTD. P-69528.

• Licenses for standard heating and allied equipment are sought by a British manufacturer.

The firm is a subsidiary of a large British holding company and is currently producing gas and oil fired warm air heaters; propane fired space heaters; light structural steel fabrications, ventilation canopies, and ductwork.

Write: Mr. Norman G. O'Hara, Managing Director, Ballard/Winchester Ltd., Winnall Manor Road, Winchester, Hampshire, England. WTD. P-69526.

• A British manufacturer of a broad range of machine tools seeks licenses to make additional products for distribution in the U.K. and export to Common Market, EFTA and Asian countries.

The firm is particularly interested in the production of electro-hydraulic or electro-pneumatic machinery, materials handling and conveyor systems and other welded fabrications weighing around 3,000 lbs. Sub-contract work would also be considered.

The British concern's production facilities include a wide range of tooling and welding facilities.

Write: Mr. F. Davies Chairman, Tews Engineering Ltd., 20 Lavant St., Petersfield, Hampshire, England. WTD. P-69511.

• A British firm with subsidiaries engaged in the production of jute textile machinery, polypropylene processing equipment, gear boxes and office and storage systems seeks licenses to make products utilizing its engineering and sheet metal capabilities.

Write: Fairbairn Lawson Ltd., P.O. Box 32, Wellington Engineering Works, Leeds 1, England. WTD. P-69512.

Investment Assistance

To receive follow up assistance and general information about investment abroad telephone: 202-967-3786 or write: Office of International Investment, Department of Commerce (BIC-878), Washington, D.C. 20230. A (*) following the name of the foreign firm indicates that additional information is available from the above address.

WTD indicates that a World Trade Directory Report containing financial and business background information on the foreign firm is available for $2 from the Department of Commerce (BIC-924), Washington D.C. 20230 or the nearest Department of Commerce Field Office.

The licensing and joint-venture proposals listed in this section are published as an informational service for U.S. firms interested in overseas affiliations. Companies responding to these opportunities should be cognizant of the present mandatory investment regulations administered by the Office of Foreign Direct Investments, U.S. Department of Commerce, Washington, D.C. 20230.

Chilean paint producer looks for license agreement

A Santiago paint company is interested in producing marine and industrial paints under licensing agreements with U.S. firms.

The Chilean company has about 85 employees, plus seven salesmen who distribute its products on the domestic market.

Write: Pinturas "El Adarga" S.A.I.C., calle Antofagasta #3117, Casilla (P.O.B.) 3534, Santiago, Chile. WTD. P-69517.

Equipment bids sought for Thailand schools

World Bank loan of $6 million to be applied towards project

The Department of Vocational Education, Thailand, invites bids for equipping 14 trade and industrial schools, nine vocational agricultural schools, and two vocational teacher training colleges. Hundreds of items are requested, in various quantities, and including the following broad categories: measuring equipment; force apparatus; fluid mechanic apparatus; heat apparatus; light apparatus; magnetism and electro-statics apparatus; electrical equipment; electronics; engines; glassware; hand tools; chemical reagents; miscellaneous, including laboratory; audio visual equipment; microscopes; gas generation aerogen; scientific equipment; distillation apparatus; refrigerators; motion picture projectors and screens; tape recorders; record players; and many more including spare parts and accessories for the above.

The tender number is LIVE-8, and the bid deadline is May 21. Bids may be submitted for any or all items.

The cost of the vocational education project is approximately $21 million. A loan of $6 million from the International Bank for Reconstruction and Development (World Bank) will be applied to the project.

Bids must be accompanied by a cash bid bond, or certified check, or letter of guarantee, in the amount of at least five percent of the total bid price.

To obtain copies of the tender documents contact the issuing agency: Department of Vocational Education, Ministry of Education, Chandrakasem Palace, Rajdamnern Ave., Bangkok, Thailand.

A copy of the tender documents is available for review only at the Scientific and Business Equipment Division, BDSA-653, Room 4120, U.S. Department of Commerce, Washington, D.C. 20230. ★(Telephone: 202-967-2939). This copy cannot be loaned out.

Copies of the announcement stating the purpose of the World Bank loan are available on request from the above address.

Sudan to buy pharmaceuticals, drugs and surgical dressings

The Govt. of Sudan has recently issued an invitation for bids for the supply of large quantities of drugs, pharmaceutical products and surgical dressings for 1969/70.

Sudanese pharmaceutical firms estimate the value of the supplies on which bids are invited to be $5 million to $6 million. The bid deadline is April 30. The agents of major U.S. drug firms in Khartoum are fully informed about the tender. However, U.S. drug firms without representation in Khartoum which may desire to participate in the bidding can obtain copies of the tender for $30 each from the Chief, Division Medical Supplies, Ministry of Health, Light Industrial Area, Khartoum South.

The firms and individuals in the following lists are interested in trade relations with U.S. businessmen. The commodities in which they have expressed interest are indicated by the numbers preceding the commodity classification. These numbers refer to the Standard Industrial Classification (SIC) Manual, which is available for $4.50 a copy from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Every effort is made to include only firms or individuals with good reputations. However, the Department of Commerce cannot be responsible for any trade relations.

The listing in INTERNATIONAL COMMERCE of opportunities to trade in specific commodities and technical data does not necessarily imply approval of their export by the U.S. Department of Commerce pursuant to the U.S. Export Control Act. For applicable export licensing regulations and policies, see the Comprehensive Export Schedule or consult the Bureau of International Commerce's Office of Export Control or any Department of Commerce Field Office.

● indicates that the trade opportunity represents a request for bids by a foreign government agency. A (★) following indicates that additional information may be borrowed by firms located in the U.S. from the Business and Defense Services Administration (BDSA), U.S. Department of Commerce, Washington, D.C. 20230; telephone numbers indicated. To avoid delay, requests for loan material should specify country and commodity.

★★ indicates opportunities obtained by U.S. trade missions to other countries. A (★) following these indicates that additional information may be obtained by writing the International Liaison and Trade Opportunities Staff, BDSA-541, U.S. Department of Commerce, Washington, D.C. 20230. The TM (trade mission) number is requested in correspondence. Requests for loan material should specify country and TM number.

WTD indicates that a World Trade Directory report is available on the foreign firm for which the trade opportunity is listed. These reports, indicating type of organization, sales territory, size of business, sales volume, trade and financial reputation, and other factors, are available for $2 each from the Bureau of International Commerce, BIC-924, U.S. Department of Commerce, Rm. 6059. Telephone: 202-967-4203. The date following the letters WTD refers to the date of issuance of the report. If WTD is in preparation, action will be completed on a priority basis upon receipt of request specifically identifying the trade opportunity involved.

Sales Leads for Exporters

Listed below are companies interested in buying U.S. products. Direct purchases are wanted unless a desire for an agency agreement is expressed.

195 Small arms

AFGHANISTAN—Sporting pistols, rifles; airguns, pistols. Requests prices c.i.f. Karachi, insurance up to Kabul. Haji Salahuddin Ltd. (importer, exporter, wholesaler), Apt. No. 15, Salahuddin Bldg., Mazar-i-Sharif. WTD 2/69.

IVORY COAST—Two U.S. carbine M1, mint condition if possible, preferably with folding stock; four new automatic pistols, 9 mm.; four new revolvers, Colt Cobra (or equivalent), 38 special, short barrel; ammunition for above. Requests replies in French. M. Charlot, Directeur Adjoint, Societe Abidjanaise de Surveillance (service organization), B.P. 2202, Abidjan. WTD in preparation.

196 Small arms ammunition

AFGHANISTAN—Cartridges, shells, shot for small sport firearms. Haji Salahuddin Ltd. (wholesaler, importer, exporter), Apt. No. 15, Salahuddin Bldg., Mazar-i-Sharif. WTD 2/69.

221 Broad woven fabric mills, cotton

BELGIUM—Blankets, bed, including baby blankets. Direct purchase and/or agency. Servia S.P.R.L. (importer, distributor), 306 Ave. de la Couronne, Brussels. WTD 2/69.

● **NEW ZEALAND**—Approximately 540,000 yds. various cotton fabrics. Bid deadline 12 p.m.

May 23. Samples must be submitted by April 25. Direct bids to the Supply Officer, Auckland Hospital Board, P.O. Box 5546, Auckland 1, New Zealand. Tender specifications available from the Office of Textiles, U.S. Department of Commerce, Room 5026, Washington, D.C. 20230.★ (Telephone: 202-967-5238).

225 Knitting mills, products

BELGIUM—Infants hosiery, all types. Direct purchase and/or agency. Servia S.P.R.L. (importer, distributor), 306 Ave. de la Couronne, Brussels. WTD 2/69.

227 Floor covering mills, products

GERMANY—All kinds of wall-to-wall carpeting, including tufted, of synthetic fibers or virgin wool; width 9, 12 or 15 feet. Quotations c.i.f. German port preferred. Direct purchase or agency. Werner Methner—Teppich-Vertrieb (sales agent, importer), 28 Bremen, Wielandstr. 1. WTD in preparation.

228 Yarn, thread mill products

MOROCCO—Yarns: nylon and rayon, unbleached, 150 and 300 deniers, 15 and 20 deniers for use in weaving, knitting mills. Direct purchase and agency. Quotations c.i.f. Casablanca. Abderrazak Berrada (importer, agent), 67, Rue de Strasbourg, Casablanca. WTD 3/69.

229 Textile goods

MOROCCO—Yarn: metallic (sparkling), 150 and 300 deniers, 15 and 20 deniers for use in weaving, knitting mills, mechanical embroideries. Direct purchase and agency. Quotations c.i.f. Casablanca. Abderrazak Berrada (importer, agent), 67, Rue de Strasbourg, Casablanca. WTD 3/69.

232 Men's, youths', boys' furnishings, work clothing

IVORY COAST—Apparel for following sports: golf, basketball, soccer, handball, boxing, tennis, volley ball, table tennis, camping, and horseback riding. Requests replies in French. M. P. Belaube, Sce Marchandises, Ste Commerciale et Industrielle de la Cote d'Afrique (CICA) (importer), B.P. 1280, Abidjan. WTD 1/68.

251 Household furniture

BELGIUM—Baby play pens, metal. Direct purchase and/or agency. Servia S.P.R.L. (importer, distributor), 306 Ave. de la Couronne, Brussels. WTD 2/69.

259 Furniture, fixtures

AUSTRIA—Component parts of office furniture made of plastics materials, such as plastic drawers. Direct purchase and agency. Buero-moebel Otto Behan (wholesaler, retailer, manufacturer), Waehringerstrasse 48, A-1090 Vienna. WTD 3/69.

262 Paper mills

● **IRAN**—Supply 188,000 bobbins of cigarette paper, 158,000 bobbins to be 100% chiffon paper with the additional 30,000 bobbins to be of 25% chiffon content. Substance to be 20/5 grams $m^2 \pm 1$ gram. Paper to be 4000 meters long and in various widths between 22-30 mm. Iranian Tobacco Co., Tehran. Bid deadline May 18.

Copy of tender containing specifications and conditions available from the Forest Products and Packaging Division, BDSA, Room 4007, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-3530).

264 Converted paper, paperboard products

AFGHANISTAN—Oiled paper, cellophane bags. Pushtu Yawali Sahami Shirkat (processor, exporter, importer, wholesaler), Mazar City, Mazar. WTD 3/69.

AUSTRIA—All types of paper products for office, school use, stationery, greeting cards, advertising gifts. Direct purchase and agency. Friedrich Mastnak (importer, wholesaler, retailer, manufacturers' representative), Neubaugasse 31, A-1070 Vienna. WTD 3/69.

SWITZERLAND—Paper novelties, doilies, gift wrappers, writing tablets, stationery. Direct purchase and agency. J. F. Pfeiffer (importer, distributor), Seestrasse 346, 8038 Zurich. WTD 8/68.

281 Industrial chemicals

AFGHANISTAN—Carpet dyes. Requests prices c.i.f. Karachi, insurance up to Kabul. Mohammed Azim & Sons (importer, wholesaler), Pashtoon Market, Jade Nadir Pashtoon, Kabul. WTD 3/69.

SOUTH AFRICA—Boron compounds: borax, boric acid, all types. Direct purchase and agency. Herzberg Chemical Corp. (Pty.) Ltd. (importing distributor), P.O. Box 4535, Cape Town, Cape Province. WTD 1/69.

● **TURKEY**—Bids for 42 tons of vinyl copolymer concrete additive are requested by State Airports Directorate General (Devlet Hava Maydanlari Isletmesi), Ankara, Turkey by Apr. 29. Bid specifications are available in English from Modern Translation Co., Karanfil Sokak, Ankara in range $5 to $12 including airmail charges.★ (Telephone: 202-967-3529).

282 Synthetic materials

● **IRAN**—Bids for 460 million acetate cellulosic white cigarette filter rods are requested by the Iranian Tobacco Co., Tehran, Iran by 9 a.m. May 21. Chemicals Division, BDSA-665, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone 202-967-3529).

● Bids for 44,300 bobbins of regenerated cellulose film are requested by the Iranian Tobacco Co., Tehran, Iran by 9 a.m. May 31. Chemicals Division, BDSA-665, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone 202-967-3529.)

284 Soap, detergents, cleaning preparations, perfumes, cosmetics

BELGIUM—Degreasing, phosphating materials used in automobile assembly plants for preparation of surfaces to be painted. Direct purchase and/or agency. Simdis S.A. (importer, distributor, agent), 68-69 Blvd. Poincare, Brussels. WTD 5/68.

289 Chemical products

AFGHANISTAN—Oil used for processing raisins. Pushtu Yawali Sahami Shirkat (processor, exporter, importer, wholesaler) Mazar City, Mazar-i-Sharif. WTD 3/69.

● **TURKEY**—Supply of deicing liquid, 5 metric tons. Bid deadline Apr. 25. State Airports Directorate General (Devlet Hava Maydanlari Isletmesi) Ankara. Bid specifications in English available from Modern Translation Co., Karanfil Sokak, Ankara, prices range $5 to $12 including airmail charges.

291 Petroleum refining

AFGHANISTAN—Lubricating oils for cars, heavy duty trucks. Mohammed Azim & Sons (importer, wholesaler), Pashtoon Market, Jade Nadir Pashtoon, Kabul. WTD 3/69.

Paraffin wax used in dried fruit processing. Pushtu Yawali Sahami Shirkat (processor, exporter, importer, wholesaler), Mazar City, Mazar-i-Sharif. WTD 3/69.

307 Plastic products

GERMANY—All kinds of construction plastic products. Direct purchase and agency. Requests replies in German. Kunstbaustoff G.m.b.H. (wholesaler, importer), 6730 Neustadt a.d. Weinstrasse, Maximilianstrasse 34. WTD 3/69.

SWITZERLAND—Plastic novelties for sale in stationery shops. Direct purchase and agency. J. F. Pfeiffer AG (importer, distributor), Seestrasse 346, 8038 Zurich. WTD 8/68.

VENEZUELA—Plastic articles, novelties for use in photography. Distribution for entire country. Requests replies in Spanish. Leon Zinn (importer, distributor), Mercaderes a Gorda No. 14, Caracas, or Apartado 2850, Carmelitas, Caracas. WTD 3/69.

331 Steel mill products

ISRAEL—Stainless steel in sheets, profiles. Matrimag Metal Trading Co., Ltd. (importer, exporter, distributor, manufacturers' representative), 34/36 Yitzhak Sadeh St., Tel Aviv. WTD 3/68.

● **IRAN**—Black iron sheets: 348,500 kgs.; galvanized iron sheets: 51,500 kgs.; ST-60 round steel bars: 41,000 kgs.; tee-shape iron: 10,000 kgs.; channel iron: 21,000 kgs.; each item consists of various sizes; also galvanized iron sheet, ribbed plate: 50,000 kgs., size 3 x 1000 x 2000 mm. Tender No. 1514/47; bid deadline May 14. Iranian State Railways, Tehran. Copies of tender documents available from Iron and Steel Division, BDSA-669, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-2364).

333 Primary smelting, refining of nonferrous metals

ISRAEL—Zinc and its alloys; nickel, cadmium for electroplating, Matrimag Metal Trading Co. Ltd. (importer, exporter, distributor, manufacturers' representative), 34/36 Yitzhak Sadeh St., Tel Aviv. WTD 3/68.

335 Rolling, drawing, extruding of nonferrous metals

ISRAEL—All kinds of copper, brass, aluminum. Matrimag Metal Trading Co. Ltd. (importer, exporter, distributor, manufacturers' representative), 34/36 Yitzhak Sadeh St., Tel Aviv. WTD 3/68.

● **KUWAIT**—Supply of various quantities of telephone cable. Bid deadline May 5. Contact Central Tenders Committee, Sief Palace, Kuwait, State of Kuwait.

● **TURKEY**—Supply of various quantities of runway cable and neoprene or protodur insulated cable. Bid dealine Apr. 25. Contact State Airport Directorate General, Ankara.

342 Cutlery, hand tools, general hardware

GERMANY—Furniture fittings of all kinds, decorative, fancy, novel. Requests price quotations c.i.f. European ports. Gust. Huettebraeuker (manufacturer, wholesaler, exporter), 5880 Luedenscheid, Postfach 1860. WTD 2/69.

344 Fabricated structural metal products

SWEDEN—Components for nuclear power plants, such as reactor pressure vessels; sodium and argon vessels; handling equipment; hot cells; components for control rod drives. Direct purchase and agency. K. O. Rydqvist (agent, importer), Box 70, S-182 11 Danderyd. WTD 3/69.

349 Fabricated metal products

SWITZERLAND—Metal novelties, specialities for sale in stationery shops. J. F. Pfeiffer AG (importer, distributor), Seestrasse 346, 8038 Zurich. WTD 8/68.

351 Engines, Turbines

AFGHANISTAN—Truck diesel engines. Haji Salahuddin Ltd. (wholesaler, importer, exporter), Apt. No. 15, Salahuddin Bldg., Mazar-i-Sharif. WTD 2/69.

352 Farm machinery

AFGHANISTAN—Small farm tractors. Pushtu Yawali Sahami Shirkat (processor, exporter, importer, wholesaler), Mazar City, Mazar-i-Sharif. WTD 3/69.

ZAMBIA—Quotations requested for nut shelling machinery for preparation of confectionery peanuts. Output capacity should be in the region of 20 bags (of 180 lbs.) shelled nuts per hour. Ministry of Rural Development, P.O. Box RW 197, Lusaka.

353 Construction, mining, materials handling machinery, equipment

AFGHANISTAN—Diesel-powered well-drilling rigs for deep wells of up to 100 meters. Pushtu Yawali Sahami Shirkat (processor, exporter. importer, wholesaler), Mazar City, Mazar-i-Sharif. WTD 3/69.

● **CEYLON**—Two air compressors for blowing saw dust; straddle carriers for transporting logs, capacity of 20,000 lbs., lifting up to 40 ft. in length; farm tractors with trailers, standard type, four wheels, 5-6 ton capacity trailer; six heavy duty lorries with right hand drive, gross weight approximately 20,000 lbs.; one five ton mobile crane, jibs capable of handling logs up to five tons in weight; four wheel drive land vehicle, with a long base of approximately 105 in.: two hand held rock drills, air-operated, hand held, suitable for general utility service in quarries, weight between 35 lbs./45 lbs. to operate on approx. 80 p.s.i. air supply. Tender No. COM/TEN/12, bid deadline June 8. Chairman, Tender Board, Ministry of Land, Irrigation and Power, P.O. Box 500, Colombo.★ (Telephone: 202-967-5585).

● **GREECE**—Taking bids on 3½ and 2½ cu. yd. crawler type power shovels and 25 ton capacity off-highway haulers. One copy of detailed specifications available for inspection in Office of General Industrial Equipment Division. Tender number not supplied. Bid deadline April 22. Ptolemais Lignite Mining and Industrial Company, Ltd. (LIPTOL), 27 Kanningos St., Athens.★ (Telephone: 202-967-5566).

● **MALAWI**—One tractor shovel-loader, track type, diesel, minimum 40 bhp, minimum ¾ cu. yd. bucket, hydraulic control: two dump-trucks, seven ton capacity, six cylinder diesel engine not less than 90 bhp. Tender No. 69-418. Bid deadline not shown. City Engineer's Depot, Johnston Road, Ginnery Corner, Blantyre.★ (Telephone: 202-967-5566).

● **SINGAPORE**—One 45-ton container crane and one 30-ton container crane, which is required for Singapore's new 23-acre container port now under construction. The tender covers the supply, including delivery to the site, and erection. Tender No. S/19.021, bid deadline June 20. Tender documents can be obtained from The Secretary, The Port of Singapore Authority, P.O. Box 300, Singapore for $500 made out to the Port of Singapore Authority, which will be refunded on receipt of a bona fide tender. All applications must be made in English.

354 Metalworking machinery

ISRAEL—All kinds of automotive tools for repair of motor vehicles. Direct purchase and exclusive distribution. Ledico Ltd., Electric Diesel Co. (importer, distributor, agent), 119 Allenby Rd., Tel Aviv. WTD 3/69.

SWITZERLAND—Grinding machines for pointing hypodermic needles. Unimed S.A. (manufacturer), 80, Rue de Geneve, 1002 Lausanne. WTD in preparation.

● **THAILAND**—Sheet metal equipment for vocational schools, including: Fifty slip roll forms, 47 rotary machines, 11 double seaming machines, 16 setting down machines, 68 hand-operated squaring shears, 25 utility shears, 23 hand operated lever slitting shears, 28 box and pan brakes, and 28 hand operated metal punches. Tender No. LIVE-9, bid deadline May 1. Department of Vocational Education, Ministry of Education, Rajdamnern Ave., Bangkok.

A copy of the tender is available for review in the Metalworking Equipment Division, BDSA, Room 4204, U.S. Department of Commerce, Washington, D.C. 20230.

355 Special industry machinery

AFGHANISTAN—Machinery, equipment for making flashlight, radio batteries. Complete paper manufacturing plant, small size. Haji Salahuddin Ltd. (importer, exporter, wholesaler), Salahuddin Bldg. (Apt. No. 15), Mazar-i-Sharif. WTD 2/69.

ITALY—Complete line of equipment to manufacture containers made of wood pulp. R.I.E.T. (agent), Piazza E. De Amicis 11, 34170 Gorizia. WTD in preparation.

● **PAKISTAN**—Three vertical air compressors, 500 C.F./M. capacity, one hydraulic jacking unit, 100 tons capacity, 1200 long feet of steel pipe for tubewell drilling for the Pakistan Western Railway. Tender No. PR-I/69/PMP/2, bid deadline Apr. 26. Secretary, Railway Board, Government of West Pakistan, PWR Headquarters (Room No. 19, Ground Floor), Empress Road, Lahore.★ (Telephone: 202-967-5585).

SWEDEN—Components for nuclear power plants, such as reactor pressure vessels; sodium and argon vessels; handling equipment; hot cells; components for control rod drives. Direct purchase and agency. K. O. Rydqvist (agent, importer), Box 70, S-182 11 Danderyd. WTD 3/69.

● **URUGUAY**—Cream mellowing stainless steel tanks, 6, 5 to 8 thousand liters capacity each; cream mixer-whippers, four, stainless steel, 2 to 3.5 thousand liters capacity each; stainless steel butter rolling cars, two, designed for mixers; butter cutting-packaging machines, three, for 50, 250, and 500 grms. packages 4000 un/h each; cream pasteurizing equipment, one, stainless steel, 4 to 5 thousand liters capacity; butter making machine, one, 1.000 kgs. per hr. capacity; draining off equipment for cream, cold system, 30 to 50 liters cans; and cream acidity washing machine, one, max. capacity 3,000 lts./hour. Tender No. 122, bid deadline Apr. 23. Specifications available in Spanish. Interested suppliers should have an agent or representative in Uruguay. Cooperativa Nacional de Pro-

U.S. DEPARTMENT OF COMMERCE—FIELD OFFICES

ALBUQUERQUE, N. MEX., 87101, U.S. Courthouse. Area Code 505 Tel. 843-2386.
ANCHORAGE, ALASKA, 99501, 306 Loussac-Sogn Bldg. Area Code 907 Tel. 272-6531.
ATLANTA, GA., 30303, 4th Floor Home Savings Bldg., 75 Forsyth St. N.W. Area Code 404 Tel. 526-6000.
BALTIMORE, MD., 21202, 305 U.S. Customhouse, Gay and Lombard Sts. Area Code 301 Tel. 962-3560.
BIRMINGHAM, ALA., 35205, Suite 200-201, 908 S. 20th St. Area Code 205 Tel. 325-3327.
BOSTON, MASS., 02203, Room 510, John Fitzgerald Kennedy Federal Bldg. Area Code 617 Tel. 223-2312.
BUFFALO, N.Y., 14203, 504 Federal Bldg., 117 Ellicott St. Area Code 716 Tel. 842-3208.
CHARLESTON, S.C., 29403, Federal Bldg., Suite 631, 334 Meeting St. Area Code 803 Tel. 577-4171.
CHARLESTON, W. VA., 25301, 3002 New Federal Office Bldg., 500 Quarrier St. Area Code 304 Tel. 343-6181 Ext. 375 and 376.
CHEYENNE, WYO., 82001, 6022 Federal Bldg., 2120 Capitol Ave. Code 307 Tel. 634-5920.
CHICAGO, ILL., 60604, 1486 New Federal Bldg., 219 South Dearborn St. Area Code 312 Tel. 353-4400.
CINCINNATI, OHIO, 45202, 8028 Federal Office Bldg., 550 Main St. Area Code 513 Tel. 684-2944.
CLEVELAND, OHIO, 44114, Room 600, 666 Euclid Ave. Area Code 216 Tel. 522-4750.
DALLAS, TEX., 75202, Room 1200, 1114 Commerce St. Area Code 214 Tel. 749-3287.
DENVER, COLO., 80202, 16419 Federal Bldg., 20th and Stout Sts. Area Code 303 Tel. 297-3246.
DES MOINES, IOWA, 50309, 609 Federal Bldg., 210 Walnut St. Area Code 515 Tel. 284-4222.
DETROIT, MICH., 48226, 445 Federal Bldg. Area Code 313 Tel. 226-6088.
GREENSBORO, N.C., 27402, 258 Federal Bldg., W. Market St. P.O. Box 1950. Area Code 919 Tel. 275-9111.
HARTFORD, CONN., 06103, Room 610-B, Federal Office Bldg., 450 Main St. Area Code 203 Tel. 244-3530
HONOLULU, HAWAII, 96813, 286 Alexander Young Bldg., 1015 Bishop St. Area Code 808 Tel. 546-5977.
HOUSTON, TEX., 77002, 5102 Federal Bldg., 515 Rusk Ave. Area Code 713 Tel. 226-4231.
JACKSONVILLE, FLA., 32202, P.O. Box 35087, 400 W. Bay St. Area Code 904 Tel. 791-2796.
KANSAS CITY, MO., 64106, Room 2011, 911 Walnut St. Area Code 816 Tel. 374-3141.
LOS ANGELES, CALIF., 90015, Room 450, Western Pacific Bldg., 1031 S. Broadway. Area Code 213 Tel. 688-2833.
MEMPHIS, TENN., 38103, 710 Home Federal Bldg., 147 Jefferson Ave. Area Code 901 Tel. 534-3214.
MIAMI, FLA., 33130, Rm. 821, City National Bank Bldg., 25 W. Flagler St. Area Code 305 Tel. 350-5267.
MILWAUKEE, WIS., 53203, Straus Bldg., 238 W. Wisconsin Ave. Area Code 414 Tel. 272-8600.
MINNEAPOLIS, MINN., 55401, 306 Federal Bldg., 110 S. Fourth St. Area Code 612 Tel. 334-2131.
NEW ORLEANS, LA., 70130, 909 Federal Office Bldg., S., 610 South St. Area Code 504 Tel. 527-6546.
NEW YORK, N.Y., 10007, 41st Floor, Federal Office Bldg., 26 Federal Plaza, Foley Sq. Area Code 212 Tel. 264-0634.
PHILADELPHIA, PA., 19107, Jefferson Bldg., 1015 Chestnut St. Area Code 215 Tel. 597-2850.
PHOENIX, ARIZ., 85025, 5413 New Federal Bldg., 230 N. First Ave. Area Code 602 Tel. 261-3285.
PITTSBURGH, PA., 15222, 2201 Federal Bldg., 1000 Liberty Ave. Area Code 412 Tel. 644-2850.
PORTLAND, OREG., 97204, 217 Old U.S. Courthouse, 520 S.W. Morrison St. Area Code 503 Tel. 226-3361.
RENO, NEV., 89502, 2028 Federal Bldg., 300 Booth St. Area Code 702 Tel. 784-5203.
RICHMOND, VA., 23240, 2105 Federal Bldg., 400 N. 8th St. Area Code 703 Tel. 649-3611.
ST. LOUIS, MO., 63103, 2511 Federal Bldg., 1520 Market St. Area Code 314 Tel. 622-4243.
SALT LAKE CITY, UTAH, 84111, 3235 Federal Bldg., 125 S. State St. Area Code 801 Tel. 524-5116.
SAN FRANCISCO, CALIF., 94102, Federal Bldg., Box 36013, 450 Golden Gate Ave. Area Code 415 Tel. 556-5864.
SAN JUAN, P.R., 00902, Room 100, Post Office Bldg. Phone 723-4640.
SAVANNAH, GA., 31402, 235 U.S. Courthouse and Post Office Bldg., 125-29 Bull St. Area Code 912 Tel. 232-4321.
SEATTLE, WASH., 98104, 8021 Federal Office Bldg., 909 First Ave. Area Code 206 Tel. 583-5615.

ductores de Leche (CONAPROLE), Departamento de Compras Generales, Calle Nueva York 1630.★ (Telephone: 202-967-5585).

ZAMBIA—Quotations requested for small scale peanut oil expression machines with maximum capacity of 5 tons intake per 24 hrs.; nut shelling machinery for preparation of nuts for oil expression industry; breakage must be less than 20%; output capacity should be about five bags (of 180 lbs.) shelled nuts per hr. Ministry of Rural Development, P.O. Box RW 197, Lusaka.

356 General industrial machinery

AFGHANISTAN—Diesel-powered water pumps—two to six in. diameter capable of drawing water from depths up to 100 meters. Haji Salauiddin Ltd. (wholesaler, importer, exporter), Apt. No. 15, Salahuddin Bldg., Mazar-i-Sharif. WTD 2/69.

ECUADOR—Installation of industrial capacity water treatment plant (water softening, removal of silicon, other elements) for producer of livestock feed supplements, hand and laundry soaps, shortening, baking and frying fats, cooking oils, candles, ginned cotton, kapok. Industrias Ales C.A. (manufacturer), Edificio Ales, Calles Salinas y Caracas (P.O. Box 3079), Quito. WTD 6/68.

GERMANY—Auxiliary compressed air equipment, apparatus or systems. Primarily interested in representing U.S. firms in European market. Hydrovane Kompressoren GmbH (agent, distributor), 5 Koeln-Bickendorf, Math.-Brueggen-Str. 4. WTD 3/69.

358 Service industry machines

LIBYA—Heat transfer equipment; room air-conditioners. Direct purchase and agency. Amor Ali Zubi "Zubi's" (importer), P.O. Box 2664, Tripoli. WTD in preparation.

SWITZERLAND—Water softeners, other similar water treatment equipment; related accessories especially switching valves, fittings for swimming pools. Inox AG (manufacturer, distributor), Industriestrasse 180-184, 4600 Olten. WTD 5/68.

361 Electric transmission, distribution equipment

● **TURKEY**—Supply of airfield runway and tower equipment including four signal generators for VOR monitors; two oscilloscopes, portable, with five-inch scopes, dual trace; four dummy load, 60 ohm, 100 W, and 60 ohm, 250 W, 0-600 MHZ antenna load; two spectrum analyzers; five frequency counters. Bid deadline Apr. 25. Requested by State Airports Directorate General, Ankara. Bid specifications available in English at prices ranging from $5.00 to $12.00 including airmail charges, from: Modern Translation Co., Karanfil Sokak, Ankara.

362 Electrical industrial apparatus

NEW ZEALAND—One steam turbine-driven electricity generating unit with following characteristics: turbine type, single or multistage, back pressure; inlet steam pressure 140 psig; exhaust 10 psig; generator capacity: 1000 kw 400-volts, 3-phase, 50 cycles. Mr. P. B. Pope, Project Engineer, The Lactose Co. of New Zealand Ltd. (manufacturer), Hawera. WTD in preparation.

363 Household appliances

LIBYA—Household refrigerators. Direct purchase and agency. Amor Ali Zubi "Zubi's" (importer), P.O. Box 2664, Tripoli. WTD in preparation.

364 Electric lighting, wiring equipment

● **AUSTRALIA**—Supply switchboard lamps, lamp caps and lamp jacks in quantities from 400 to 500,000 from Jan. 1, 1970 to Dec. 31, 1970. Tender File No. S.69/5649, bid deadline Apr. 29, for The Deputy Assistant Director-General (Supply), 3rd Floor, 199 William St., Melbourne 3000, Victoria.

Specifications available from the Power & Electrical Equipment Division, BDSA, Room 4124, Department of Commerce, Washington, D.C. 20230.★ (Telephone 202-967-4241).

365 Radio, television receiving sets

LIBYA—Household, automobile radios; household television receivers, including television combinations. Direct purchase and agency. Amor Ali Zubi "Zubi's" (importer), P.O. Box 2664, Tripoli. WTD in preparation.

369 Electrical machinery, equipment, supplies

AFGHANISTAN—Six-volt, 12-volt batteries for passenger cars, trucks. Requests price quotations c.i.f. Karachi, insurance up to Kabul. Mohammed Azim & Sons (importer, wholesaler), Pashtoon Market, Jade Nadir Pashtoon, Kabul. WTD 3/69.

371 Motor vehicles, motor vehicle equipment

AFGHANISTAN—Auto parts, accessories. Mohammed Azim & Sons (importer, wholesaler), Pashtoon Market, Jade Nadir Pashtoon, Kabul. WTD 3/69.

ISRAEL—All kinds of automotive spare parts. Direct purchase and exclusive distribution. Ledico Ltd., Electric Diesel Co. (importer, distributor, agent), 119 Allenby Rd., Tel Aviv. WTD 3/69.

NEW ZEALAND—Special purpose motor vehicles for site testing teams, to provide motorized access into undeveloped mountainous areas. K. O. Wilson, Mechanical Engineer, New Zealand Broadcasting Corp. (government agency), P.O. Box 98, Wellington.

PORTUGAL—Air cushioned vehicles. Casa Bensaude (importer, exporter, distributor), Importacao e Exportacao, S.A.R.L., Rua Aurea 181-5°, Lisbon. WTD 11/68.

382 Instruments for measuring, controlling, indicating physical characteristics

KOREA—Integrating meters for use gas-station service, gas-supply metering equipment. Catalogs, quotations, delivery terms requested. Pentagram Enterprises, Inc. (importer, distributor), I.P.O. Box 2980, Seoul. WTD 2/69.

386 Photographic equipment, supplies

SWITZERLAND—Photographic and printing equipment, photocopy equipment, microfilm equipment, heat sensitized paper. J. F. Pfeiffer AG (importer, distributor), Seestrasse 346, 8038 Zurich. WTD 8/68.

394 Toys, amusement, sporting goods

BELGIUM—Baby carriages. Direct purchase and/or agency. Servia S.P.R.L. (importer, distributor), 306 Ave. de la Couronne, Brussels. WTD 2/69.

GERMANY—Toy animals, dolls and puppets. Requests price quotations c.i.f. Rotterdam. D. Ahr. GmbH. & Co. (manufacturer, wholesaler, exporter, importer), 507 Bergisch Gladbach Bez. Koeln, Postfach 13. WTD 2/69.

IVORY COAST—Equipment for following sports: golf, basketball, soccer, handball, boxing, weight lifting, tennis, volley ball, table tennis, water skiing, camping, horse-back riding, underwater fishing. Requests replies in French. M. P. Belaube, Sce. Marchandises, Ste Commerciale et Industrielle de la Cote d'Afrique (CICA) (importer), B.P. 1280, Abidjan. WTD 1/68.

399 Manufacturing industries

GERMANY—Gift articles for advertising. C.i.f. European ports. Direct purchase and agency. M. Ziegan (retailer, wholesaler, importer), 13 Rotbendenstr., 51 Aachen. WTD 3/69.

739 Business services

SPAIN—Civil, industrial, and chemical engineering consultants operating in Spain, other countries, including Arabian. Heredia & Moreno, S.A. (engineering consultants), Arapiles 13, Madrid (15). WTD 2/69.

SHAPE to purchase HF antenna systems

The Purchasing and Contracting Office Shape, Belgium has issued Tender No. 69-02PS/MEB, for the supply and installation of two HF antenna systems. Bid deadline is May 20.

Bid should offer rotatable log periodic antennas, fixed log periodic antennas, wideband DiPoles, OMNI-Pole antennas, and rosette steerable antennas.

Copies of tender announcement and specifications are available to NATO qualified bidders only from the Purchasing and Contracting Office, ACE Communications Electronics Equipment Cande Division, Shape, B7010, Belgium or on a short-term loan basis to firms located in the U.S. from the Communications-Electronics Division, BDSA-643, Room 4209, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967,4823).

Polish firm cites needs for chemical equipment

The Polish Export and Import Company for Machines (POLIMEX) Ltd., Warszawa 1, Czackiego 7/9, Poland, Attn. L. M. Zawadzka, has immediate needs for the following equipment: machines for cutting polyurethane foam; one rotary 4-stand injection-cure unit for thin-walled rubber goods; equipment for sterilization and ethylene oxide, and air separators for various chemicals.

Polimex would appreciate expressions of interest from U.S. firms, accompanied by preliminary bids for technical data.

Specifications are available on a short term loan basis to firms domiciled in the U.S. from the GIE Division, BDSA-647, Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-5585).

Sales Representation

The firms listed below are interested in representing U.S. firms in the areas indicated. Exclusive distributorship for these commodities is wanted only if specified.

011 Field crop farms

MOROCCO—Cotton, raw, short fibers, second choice, wrapped in bales for textile manufacture. Exclusive agency. Quotations. c.i.f. Casablanca. Abderrazak Berrada (importer, agent), 67, rue de Strasbourg, Casablanca. WTD 3/69.

229 Textile goods

SWITZERLAND—Artificial leathers for clothing, furniture, books, other applications. Winter & Co. (agent, distributor), Nauenstrasse 65, 4002 Basel. WTD 3/69.

262 Paper mills, products

HONDURAS—Paper in bulk for manufacture of office, school supplies. Exclusive representation. Comisiones Tropicales, S. de R. L. (manufacturers' representative), 6a. Calle, frente Teatro Palace, Tegucigalpa, D. C. WTD 8/68.

263 Paperboard mills, products

HONDURAS—Paperboard to produce cardboard boxes. Exclusive representation. Comisiones Tropicales, S. de R. L. (manufacturers' representative), 6a. Calle, frente Teatro Palace, Tegucigalpa, D. C. WTD 8/68.

282 Synthetic materials

SWITZERLAND—Polyester, other synthetic fibers. J. Strubin (agent, manufacturer), Dornacherstrasse 93, 4000 Basel. WTD 2/69.

283 Drugs

AUSTRIA—Pharmaceutical specialties of various kinds. Herba Apotheker A.G. (importer, wholesaler, distributor, manufacturer), Michelbeuerngasse 9 a, A-1091 Vienna. WTD 2/69.

SWITZERLAND—All kinds of pharmaceutical products for human or veterinary use, in bulk or packaged. Paul Eggimann AG (manufacturer, distributor), Alte Landstrasse 32, 8800 Thalwil. WTD 2/69.

331 Steel mill products

MALAYSIA—Steel wire rope suitable for use in timber extraction industry. Malayan Development Machinery Sdn Bhd. (importer, wholesaler, retailer, manufacturer), Jalan Kemajuan, 12/18, Petaling Jaya. WTD in preparation.

339 Primary metal industries

ISRAEL—Nonferrous metals; primary, semis. Representation and/or exclusive distribution. Matrimag Metal Trading Co. Ltd. (importer, exporter, manufacturers' representative, distributor), 34/36 Yitzhak Sadeh St., Tel Aviv. WTD 3/68.

342 Cutlery, hand tools, general hardware

AUSTRIA—Precious tools for metalworking. Dipl. Ing. Lothar Quitta (importer, wholesaler, manufacturers' representative), Radetzykstrasse 3, P.O. Box 43, A-1035 Vienna. WTD 3/69.

SWITZERLAND—All kinds of garden tools, similar products; novelties. Bacher AG (agent, manufacturer), Baselstrasse 28-32, 4153 Reinach. WTD in preparation.

352 Farm machinery

SWITZERLAND—Small garden machines, similar equipment for horticulturists, nurseries; newly developed products. Bacher AG (agent, manufacturer), Baselstrasse 28-32, 4153 Reinach. WTD in preparation.

354 Metalworking machinery

AUSTRALIA—Chain saws; ultra lightweight model, 7-10 lbs.; utility model up to 14 lbs.; general purpose model suitable for professional woodcutters. Direct drive saws preferred. Exclusive agency. Mobilco Ltd. (importer, exporter, distributor, agent, manufacturer), Box 62, Mitcham Post Office, Mitcham 3132, Victoria. WTD 4/68.

SWITZERLAND—Metalworking tools, machine tools, related equipment for metalworking industries; newly developed products. Prematex S.A. (agent, mfr.), 31, rue de Lausanne, 1110 Morges. WTD in preparation.

THAILAND—Complete line of automotive maintenance equipment for service stations. Exclusive agency. Catalogs, c.i.f. Bangkok prices requested. Ekachai & Friend Ltd. Partnership (importer, distributor), 37-39, 233-235 Jawaraj Road, Bangkok. WTD in preparation.

355 Special industry machinery

BRAZIL—Paper cutters; folding machines; presses, offset and letter; graphics photo equipment. Evercita S.A. Comercio e Industria (importer), Rua dos Andradas 382/392, Caixa Postal 20632, Sao Paulo, S.P. WTD 2/69. Attn: Mr. Everaldo Henrique Delforge.

COLOMBIA—All kinds of textile machinery, parts, attachments. Exclusive or non-exclusive representation, either for entire country or for Department of Antioquia. Britex (manufacturers' representative), Edificio Colombiana de Seguros No. 608. Apartado aereo 4000, Medellin. WTD 3/69.

SWITZERLAND—Implant printing machines, photoengraving machines. J. F. Pfeiffer AG (importer, distributor), Seestrasse 346, 8038 Zurich. WTD 8/68.

Food products packaging machinery. AGIA AG fur Industrie-Automation (mfr., exporter), Flughofstrasse 49, 8152 Glattburg. WTD 3/69.

356 General industrial machinery

PAKISTAN—Fractional low lift centrifugal pumps, engines with capacity of ¼, ½, ¾ cubic ft. per second at 40 ft. total head with 20 ft. suction. Requests catalogues, quotations c&f Chittagong. Specifications available from Trade Opportunities Staff, BDSA-541, Rm. 4053, U.S. Department of Commerce, Washington, D.C. 20230. Peerless Industrial Engineering Co. (importer), 395/5 Napier Rd., P.O. Box No. 441, Karachi. WTD 2/69.

SWITZERLAND—General industrial use packaging machinery. AGIA AG fur Industrie-Automation (manufacturer, exporter), Flughofstrasse 49, 8152 Glattbrugg. WTD 3/69.

THAILAND—Complete line of automotive service, maintenance equipment for service stations including compressor operated tire inflators, hydraulic jacks, lubrication equipment. Exclusive agency. Catalogs, c.i.f. Bangkok prices requested. Ekachai & Friend Ltd. Partnership (importer, distributor), 37-39, 233-235 Jawaraj Road, Bangkok. WTD in preparation.

357 Office machines

SWITZERLAND—Small electronic data processing equipment, electronic desk calculators, small, time-saving office machines, devices. J. F. Pfeiffer AG (importer, distributor), Seestrasse 346, 8038 Zurich. WTD 8/68.

358 Service industry machines

ITALY—Accessories, instrumentation for domestic, commercial water conditioning. Univer S.a.s. di Sante Grizzo & Co. (distributor, manufacturer), Via Cornalia 26, 20124 Milano. WTD in preparation.

361 Electric transmission, distribution equipment

BRAZIL—Electric, electronic instruments for electricity, electronic laboratories such as oscilloscopes, precision voltmeters, sound loudness meters. Navarra S.A. Comercial e Tecnica de Equipamento Eletronico (importer, agent), Avenida Rio Branco, 277 grupo 701 Rio de Janeiro ZC-39 GB. WTD 2/69.

362 Electrical industrial apparatus

AUSTRIA—Electric or electronic controls for infinitely variable adjustment of speeds. Suschnik & Waechter, Technisches Universum (importer, wholesaler, manufacturers' representative), Rechte Wienzeile 85, A-1052 Vienna. WTD 3/69.

NETHERLANDS—Electrical industrial apparatus such as welding materials and components, electrode holders, transformers, grinding and polishing machines, similar apparatus. Representations requested for Western Europe, Near East. Morelisse N.V. (manufacturer, distributor), P.O. Box 10, 2 Baandervesting, Edam. WTD 3/69.

366 Communication equipment

SWITZERLAND—Fire, water, gas alarm, detection equipment. SICLI Materiel Incendie SA (manufacturer, distributor), 76 route des Acacias, 1211 Geneva 26. WTD 1/69.

367 Electronic components, accessories

SPAIN—All classes of electronic components, accessories, especially stabilizers, condensers, professional type power transistors, static converters. Comercial Electronica Bulcase, S.A. (distributor), Guzman el Bueno 130, Madrid (3). WTD 3/69.

369 Electrical machinery, equipment, supplies

FRANCE—Electromedical apparatus, primarily up-to-date electroencephalographs. Descriptive literature, price lists requested. "Racia" (Societe de Recherches et d'Applications Electroniques (dealer, manufacturer), 65-65bis Boulevard Pierre-1er; 33- Bordeaux, Gironde. WTD 3/69.

371 Motor vehicles, equipment

AUSTRIA—Spare and accessory parts for passenger cars, trucks; all kinds, including repair material for car bodies. Ferdinand Gerabek (importer, wholesaler), Hackengasse 30, A-1150 Vienna. WTD 3/69.

381 Engineering, laboratory, scientific, research instruments

AUSTRIA—Instruments, equipment for medical laboratories, apothecaries. Herba Apotheker A.G. (importer, wholesaler, distributor), Michelbeuerngasse 9 a, A-1091 Vienna. WTD 2/69.

SPAIN—All classes of most modern engineering, laboratory, scientific instruments, equipment, especially used for teaching purposes. Industrias de la Madera y Decoracion, S.A. (importer, distributor), Av. de Jose Antonio 59, Madrid (13). WTD 2/69.

SWITZERLAND—Laboratory equipment (also glass), apparatus, instruments for application in industrial, research laboratories. Muller & Krempel AG (agent, distributor), Schutzenmattstrasse, 8180 Bulach. WTD 3/69.

382 Instruments for measuring, controlling, indicating physical characteristics

AUSTRIA—Mechanical controls for infinitely variable adjustment of speeds. Suschnik & Waechter (importer, wholesaler, manufacturers' representative), Technisches Universum, Rechte Wienzeile 85, A-1052 Vienna. WTD 3/69.

NEW ZEALAND—Strip chart pen recorders; x-y plotters; transducers for strain, pressure, displacement, acceleration measurement, for application in medical instrumentation; other readout devices converting physical quantity to an electrical signal. Sole representation. Mr. J. G. Moorhouse, Mgr., Sample Electronics (N.Z.) Ltd. (importer, agent), P.O. Box 13-258, Auckland 6. WTD 3/69.

384 Surgical, medical, dental instruments

SWITZERLAND—Adhesive tapes for any application; newly developed similar products. Hugo Hess, Dipl. Ing. (agent), Wehntalerstrasse 96, 8057 Zurich. WTD in preparation.

399 Manufacturing industries

AUSTRIA—Smoking pipes of all kinds, lighters, humidors, similar smokers' utensils. Adolf Lichtblau & Co. (importer, wholesaler, manufacturers' representative), Hermanngasse 17, P.O. Box 79, A-1071 Vienna. WTD 3/69.

SWITZERLAND—Fire extinguishers; fire, water and gas control equipment. SICLI Materiel Incendie SA (manufacturer, distributor), 76 route des Acacias, 1211 Geneva 26. WTD 1/69.

NATO project in Italy seeks communication equipment bids

The Italian Foreign Office has announced that requests for bidding invitations on Tender No. 10,018, for the supply of two HF/SSB receiver/transmitters one kilowatt must be received by May 17.

NATO qualified firms may request bidding invitation from Ministero Difesa, Telecomdife, Sezione NATO, Viale Castro Pretorio, 00100 Rome, Italy.

Leads for Importers

Commodities are offered direct unless specified

201 Meat products

GUATEMALA—Rabbit hides, cured or uncured: product of slaughtering operations. Requests replies in Spanish. SANDOVAL y Compania Ltda., Julia de (breeder), Apartado Postal 1724, Guatemala City. WTD 3/69.

334 Secondary smelting, refining of nonferrous metals

ISRAEL—Nonferrous metals and scrap; plumbing, screwing materials of nonferrous metals. Matrimag Metal Trading Co. Ltd. (importer, exporter, distributor, manufacturers' representative), 34/36 Yitzhak Sadeh St., Tel Aviv. WTD in preparation.

369 Electrical machinery, equipment, supplies

FRANCE—Electronystagmographs, attachments, accessories (pendular motion armchairs), up-to-date electromedical equipment. Exportation direct or through well-established sales agents. Illustrated brochure in French available on loan from Trade Opportunities Staff, BDSA-541, Rm. 4053, U.S. Dept. of Commerce, Washington, D.C. 20230. "Racia" (Societe de Recherches et d'Applications Electroniques) (manufacturer, dealer), 65-65bis Boulevard Pierre-Ier; 33- Bordeaux, Gironde. WTD 3/69.

373 Ship and boat building

ICELAND—Pleasure boats, yachts, sail boats. Mr. Olafur H. Olafsson, Mgr., Andri, H. F. (commission agent, importer, exporter), P.O. Box 69, Reykjavik. WTD 3/69.

Visiting Buyers and Officials

Scheduled arrival dates and U.S. addresses indicated

AUSTRALIA—Errol M. Abbott, Director, H. M. Abbott & Sons (Aust.) Pty. Ltd., 52-54 Clarence St., Sydney, N.S.W., **interested in agency and distributorship for office supplies and equipment, library supplies, hotel/motel supplies and equipment.** Mar. 21 via Honolulu for one mo. c/o Everett F. Horgan, 161 E. 42nd St., New York, N.Y. 10017. Itinerary: San Francisco, Philadelphia, New York. WTD in preparation.

ECUADOR—Eugenio Zamora, Proprietor, I.R.S.A.-Importadora de Retenedores S.A., P.O. Box 5956, Guayaquil, **interested in importing into Ecuador industrial lathes and highway building equipment.** April 15 via Miami for 15 days. c/o Ponce de Leon Hotel, 231 E. Flagler St., Miami, Fla. 33131. Itinerary: Miami, Washington, New York, Miami. WTD 3/66 under revision.

NORWAY—Dag Moystad, Managing Director, Peter Moller A/S, Peter Mollers vei 1, Refstad, P.O. Box 25, Oslo 5, **interested in agency or license agreement for U.S. human nutritional products on Norwegian market, granting license to U.S. producer for complete dry feed for mink, and in exchanging know-how on feed additives for cattle, specially Ketosis prevention.** Mar. 29 via Boston for 3-4 weeks. c/o The Export Council of Norway, Norway House, 290 Madison Ave., New York, N.Y. 10017. Itinerary: 4/6-12 New York; 4/14-18 Washington and Maryland cities; 4/20-25 Illinois cities. WTD 3/69.

TAIWAN—Thomas L. Y. Chu, Sales Manager, Kaohsiung International Wig Corp., 6, S. 4th Rd., KEPZ, Haohsiung, and Director, Chen's Brothers Trading Co. Ltd., 2nd floor, 153-18 Section 2, Hsin Yi Road, Taipei, **interested in exporting human hair products and importing industrial machinery, hardware, electric equipment.** Mar. 31 via San Francisco for six months. c/o Henry Von Kohorn, 137 W. Putnam Ave., Greenwich, Conn. 06830. Itinerary: Honolulu, San Francisco, Salt Lake City, Denver, Kansas City, St. Louis, Chicago, New York Detroit, Washington, Philadelphia, Boston, Columbus, O., Miami, Los Angeles. WTD in preparation.

Choice of language

Some people—about seven-eighths of them—just do not understand English.

So when you answer an advertiser in these pages who requests replies in his own language oblige him *and* yourself.

Ask the Department of Commerce Field Office for advice.

Greece seeks prequalification bids for intercity bus terminal

The Greek Government has issued a call for consulting firms to prepare a feasibility study for the central intercity bus terminal and a master plan for the complex of intercity ground transportation terminals in Athens.

Consulting firms interested in the project are invited to submit prequalification information, their recommendations based on the technical specifications, and under separate cover, their economic terms. The feasibility study will provide the basis for final design, construction, financing, and operation.

Correspondence and recommendations should be addressed to: Regional Development Service of Athens and the Aegean Islands, Ministry of Coordination, 22, Hippocratous Street, Athens 144, Greece.

The deadline for receipt of the proposals is Apr. 22.

A copy of the instructions and technical specifications may be obtained by interested U.S. firms from the Water Resources and Engineering Services Division, Room 4111, U.S. Department of Commerce, Washington, D.C. 20230.

New Books and Reports

New foreign trade report available on annual figures

The latest annual U.S. foreign trade statistical summary, issued in the Commerce Department's Overseas Business Reports series, is now available—two months earlier than last year's.

For the businessman who lacks the time to analyze the more detailed Census reports, these foreign trade summaries present easy-to-use tabular data by commodity and by area, over the most recent seven-year period.

The current report, presenting totals which have been adjusted to include trade in silver ore and bullion formerly reported separately by the Bureau of the Census, provides annual data for the years 1962-68. The tabulation lists both exports and imports by economic class, by principal commodity, and by selected end-use categories, as well as by principal countries and areas.

A manufacturer of agricultural tractors, for example, will find that such exports have climbed substantially in the last few years—from $108 million in 1962 to $199 million in 1968—and he can compare his own export growth with that increase. Or a supplier of antibiotics, finding that the United States exported $99 million worth last year, sees that his $10 million worth of exports in 1968 represented roughly a tenth of our total market abroad for those items.

Entitled, "United States Foreign Trade, Annual 1962-68," the 24-page OBR 69-2 is for sale at 15 cents a copy. **Write:** Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

***Treaties in Force: A List of Treaties and Other International Agreements of the United States in Force on Jan. 1, 1969.* Published by the U.S. Department of State. Washington, D.C. 376pp. $1.50.**

This collection reflects the bilateral relations of the United States with 152 countries or other political entities and the multilateral relations of the United States with other contracting parties to more than 370 treaties and agreements on 78 subjects. More than 300 new treaties and agreements are included in this 1969 edition.

Bilateral treaties and other agreements are arranged by country or other political entity and the multilateral treaties and other agreements are arranged by subject with names of countries which have become parties.

Write: Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

***The Production, Consumption, and Marketing of Copper and Aluminum.* By Martin S. Brown and John Butler. 200pp. $37.50.**
***The Production, Marketing and Consumption of Cotton.* By John L. Sinclair. 105pp. $25.**
Published by Frederick A. Praeger. New York. 1969.

Prepared by the Economist Intelligence Unit, London, the first of these books is a study of the production, consumption, and marketing of two competitive metals. Included is a review of prices, to determine the point at which it becomes economical to switch from copper to aluminum, and an analysis of the functioning of the London Metal Exchange, suggesting that the Exchange offers little help to the copper industry in its competition with aluminum for end uses. The authors also discuss the market prospects for these metals in the countries in which they are mined.

The volume concludes that aggregate world production of aluminum and copper will continue to grow at current rates and that aluminum substitution for copper will also continue at about the present rate.

In the second book, the author examines U.S. cotton policy in the last decade, the principal markets, the flow of trade, and the likely future development of cotton supply and demand.

While cotton is the leading textile fiber, synthetics have sent the cotton market reeling in almost every developed Western textile-producing country. Geographically the industry is also in flux, with the developing world seizing the initiative, both in production and consumption, from the United States, which previously dominated world cotton production.

Write: Frederick A. Praeger, 111 Fourth Ave., New York, N.Y. 10003.

Kennedy Round medical equipment report available

The most recent Kennedy Round Special Report published by the Department of Commerce covers the 50% tariff cuts on medical and x-ray equipment made by 15 countries.

Thirteen European countries, Canada, and Japan—areas that lead in the consumption of such equipment and where demand is growing most rapidly—made the cuts as a result of Kennedy Round negotiations. The reductions will be made in stages. Two-fifths of the cuts are already in effect and further one-fifth reductions are scheduled for Jan. 1, 1970, 1971, and 1972.

The *Kennedy Round Special Report on Medical and X-Ray Equipment* and its predecessors *Special Report on Pumps and Compressors* and *Special Report on Air Conditioning and Refrigeration Equipment* are available at 25 cents each from Sales & Distribution Branch, U.S. Department of Commerce, Washington, D.C. 20230.

World output and trade, '68, reported by GATT

The volume of world production increased last year by about 6%, compared with 4% in 1967, according to the first estimates by the secretariat of the General Agreement on Tariffs and Trade (GATT). This acceleration of economic growth was particularly pronounced in the developed countries.

World exports increased by more than 11%, a rate double that of the preceding year. For the past decade, world exports grew from $108 billion in 1958 to about $240 billion in 1968, an average annual increase of some 8.4%.

A vital factor in the general expansion of last year's trade, the secretariat points out, was the unusually high import demand of the United States and the Federal Republic of Germany, which together accounted for more than 40% of the total increase in world imports.

The growth in the industrial areas brought about a pronounced expansion of their imports from developing countries, particularly in manufactured products.

☆ U. S. GOVERNMENT PRINTING OFFICE: 1969—341-961/39

Calendar *for international traders*

BUFFALO—Apr. 14-15—Eximbank Seminar on Credit Financing, State University College, 2 p.m.; private consultations with banks. Sponsors: Commerce Field Office, Eximbank, FCIA.

DANBURY, Conn.—Apr. 17—Foreign Trade Class, "Methods of Exporting & Market Potential," "Assistance Available to Exporters," Chamber of Commerce, 7 p.m. Sponsors: Commerce Hartford Field Office, REEC, Chamber of Commerce.

DAYTON, O.—Apr. 16—2nd Annual Export Trade Workshop, "Organizing for Export—Pricing & Handling Your Own Order," Rm. 310, Kennedy Memorial Union, University of Dayton, 7:30 p.m. Sponsors: Commerce Cincinnati Field Office, REEC, Chamber of Commerce, U. of Dayton.

DETROIT—Apr. 17—World Trade Club of Detroit, Pick-Ft. Shelby Hotel, 6 p.m.

DETROIT—Apr. 22—Export Seminar, 445 Federal Bldg., 9:30 a.m. Sponsor: Commerce Field Office.

DOYLESTOWN, Pa.—Apr. 14—Int'l Trade Development Assn. of Bucks County monthly meeting, "Profit Opportunities in Latin America," Conti's Cross Keys Inn, 5:30 p.m. Note new date.

HONOLULU—Apr. 16—Export-Import Workshop, Rm. 286, Alexander Young Bldg., 10 a.m. Sponsors: Commerce Field Office, Small Business Admin. Field Office.

KANSAS CITY—Apr. 15—Meeting for Exporters on Selling U.S. Products in the Emerging African Nations, Top of the Tower, 5:30 p.m. Sponsors: Commerce Field Office, REEC, International Trade Club.

KANSAS CITY—Apr. 16—Export Procedures Course, Documentation, Ten Main Ctr., 6:30 p.m. Sponsors: Commerce Field Office, REEC, Int'l Trade Club.

MEMPHIS—Apr. 10—Second of 7 Export Educational Seminars, "Export Marketing Tools," Auditorium, Memphis Board of Education. Sponsors: Commerce Field Office, REEC, Small Business Admin., Mid-South Exporters' Roundtable, Memphis Division of Vocational Education.

MEMPHIS—Apr. 15—Third of 7 Export Educational Seminars, "Export Marketing Techniques," Auditorium, Board of Education. Sponsors: Commerce Field Office, REEC, Mid-South Exporters' Roundtable, Small Business Admin., Memphis Division of Vocational Education.

MIAMI—Apr. 18-19—Third Annual Institute on Business Transactions in Latin America, Sheraton-Four Ambassadors Hotel. Sponsor: University of Miami Law Center.

MINNEAPOLIS—Apr. 15—Export Trade Workshop on Getting Paid, Financing Export Sales; Rm. B-29, Federal Courts Bldg., 3 p.m. Sponsors: Commerce Field Office, Upper Midwest REEC, Minn. World Trade Assn.

MINNEAPOLIS—Apr. 17—Export Seminar on Foreign Market Research Techniques, Rm. B-29, Federal Bldg., 3 p.m. Sponsors: Commerce Field Office, Upper Midwest REEC.

MUSKEGON, Mich.—Apr. 22—Western Michigan World Trade Club meeting, Lakos Restaurant.

NEW HAVEN—Apr. 16—Foreign Trade Class, "Phases of Int'l Transportation," First New Haven Nat'l Bank, 7 p.m. Sponsors: Commerce Hartford Field Office, First Nat'l Bank, REEC, Greater New Haven Chamber of Commerce.

NEW YORK—Apr. 14-16—Businessmen's Consultation, **Paul McCusker, Economic Counselor, Djakarta.** Sponsor: Commerce Field Office.

NEW YORK—Apr. 17—FCIB Drug, Chemical & Food Export Club, Advertising Club, 12:15 p.m.

NEWARK, N.J.—Apr. 17—Profits in Exports meeting, Small Business Administration, 970 Broad St. Sponsors: Commerce N.Y. Field Office, REEC, Small Business Admin.

ROCHESTER, N.Y.—Apr. 16—Eximbank Seminar on Credit Financing, Chamber of Commerce, 12 noon. Sponsors: Commerce Buffalo Field Office, Eximbank, FCIA.

ST. LOUIS—Apr. 15—"Show You" Export Workshop, Conference Room, Federal Bldg., 2 p.m. Sponsors: Commerce Field Office, REEC.

ST. LOUIS—Apr. 24—World Trade Club monthly dinner meeting, Japanese Trade Commission, Bel Air East Motor Hotel, 6 p.m.

SEATTLE—Apr. 15—Joint Export Associations discussion, noon luncheon, Chamber of Commerce. Speaker: **James Murrin, Bureau of Int'l Commerce, Commerce Dept.** Sponsors: REEC, World Trade Committee of Chamber of Commerce.

SEEKONK, Mass.—Apr. 15—Providence World Trade dinner meeting, Old Grist Mill, 5:30 p.m.

STAMFORD, Conn.—Apr. 14—Foreign Trade Class on Quotation & Documentation, Chamber of Commerce, 7 p.m. Sponsors: Commerce Hartford Field Office, REEC, Chamber of Commerce, Fairfield County Trust Co.

TACOMA, Wash.—Apr. 16—Joint Export Associations discussion, noon luncheon, Top-of-the-Ocean. Speaker: **James Murrin, Bureau of Int'l Commerce, Commerce Dept.** Sponsors: REEC, Marine Affairs & Foreign Trade Committee of Chamber of Commerce.

TOLEDO—Apr. 23—Export Documentation & Forwarding, Chamber of Commerce, 2 p.m.

WAYCROSS, Ga.—Apr. 17—International Trade Seminar, Holiday Inn, 10 a.m. Sponsors: Ga. Dept. of Industry & Trade, Slash Pine Area Planning & Development Commission.

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